THE FINANCIAL POST

The Canadian Newspaper for Business Men and Investors

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NEW ALIGNMENT OF PRICE LEVELS WORTH MILLIONS

Total Revenue of Country Materially Enlarged by Equitable Adjustment

OUTPUT EXPANDING

First Quarter's Business Warrants Hopeful Outlook For As Good a Year as 1924

Figures for the opening of 1925 now largely available provide a valuable index of the direction in which business is tending. Our trade situation differs radically from that in the United States. There the business upswing which had its inception last summer seems to have ended. Here the upward movement has been much less marked, but is still proceeding. Basic production has increased steadily during the quarter. Buying power is apparently much larger than three months ago, due, mainly, to a significant readjustment in price levels which has placed the farming public—more than half of the country's total population in a decidedly better position.

The new price alignment referred to is the result of a process extending over six months or more. The normal business and industrial recovery which was hoped for last year, and the years preceding, was retarded by what is now an old story, the disparity between farm prices and those of industrial and imported products. Last spring at this time, for example, the index of wholesale prices (Bureau of Statistics) stood at 154 while the farm products' groups, normally higher than other prices in an agricultural country, averaged only 134. The situation, however, has changed completely. The present average of all commodities is 161, while the farm average has crept up to 157, only marginally below the general level of prices. Assuming last year's farm revenue to have been about $1,433,320,000 as estimated by THE FINANCIAL POST, it is presumably safe to surmise that the proportion of this total spent in buying other goods has risen and will continue to rise, in the ratio in which the farm index has risen, or thereabouts. Such a change is highly important to the country at large.

Price Rise Covers Exports

Another significant feature of the price adjustment is that the rise referred to covers products, the bulk of which are sold abroad rather than consumed locally, and the returns, therefore, represent clear profit to the country. A corollary to this is that a period of high prices is advantageous to Canada also for another reason, that it induces a price rise in those countries which import these products, thus making it harder for them to compete with us industrially. Such a situation, in fact, has already taken place, partly as a result of the cause specified, and partly due to the tendency of certain European countries to return to a gold basis, or at least to stabilized currency. There has recently been a sharp price rise in such countries as France, Germany, Holland, Sweden and Spain. Normally there is a certain spread between our prices and those of European countries, but recently this spread has been abnormally large on account of currency depreciation. As a result, those countries have been able to ship goods into Canada at prices about equal to our production costs, and our industries have been hampered accordingly. As this price spread becomes smaller, The effect of foreign competition becomes less formidable.

Production Rising Steadily

The output of most of our basic industries continued to expand during the quarter. The March pig iron production of 63,932 tons was the largest since May 1924, being in excess of the combined totals of January and February. The increase over February amounted to 117 per cent. while February's total was above that of January. Automobile production has expanded steadily also. In January we produced 9,866 cars. The February total was 13,751, and the March total, 15,103. The total for the quarter was 37,413, almost as many as for the first quarter of last year which was unusually high.

Steel mills are working at full capacity and demand for metal products is still increasing although the market is moving downward. Machine tools and plant equipment are in greater demand and the output continues to expand. General hardware products are turning out in greater volume to meet the spring and summer requirements. In general, the first quarter of the year was a period of rising industrial output which promises to continue in most lines, and the volume of business promises at least to equal that of last year.

The farm situation in the West has an unusually favorable start. Growing weather has helped the initial stages of growth tremendously, and the acreage sown, according to reports received, is the largest in the history of the country.

Old "Power" Holders Lost Big Profit by Holding

MONTREAL.—Transactions took place this week in the stock of the old Montreal Light, Heat and Power Company, predecessor of Montreal Light, Heat and Power Cons. The price was 133.

There is little of this stock outstanding, over 98 per cent. having been exchanged for stock of the new company. The basis of exchange was three shares of new for one of old. Those who did not exchange were guaranteed 8 per cent. dividends. Those who did exchange will now receive 8 per cent. dividends on each of the three shares they received or 24 per cent. in all and their holdings are worth over 530 to-day instead of 133.

The opportunity of exchanging the shares has long since past. The holders of the old stock have an excellent investment, for their guaranteed dividends rank ahead of the dividends of the present company but they have lost a whale of a big profit.

Travelers Ask Why Pay National Taxes

When They Are All Used to Cover Mismanagement and Waste on Railways and Ships

OTTAWA.—On a recent occasion when a few leading business men and farmers in the Brantford district were gathered, an animated discussion arose over national taxes. It was stated that it took every cent of the business and personal income taxes, and a nice slice out of the customs revenue, to pay for current losses on our national railways and ocean shipping, and that all this was national waste due to gross mismanagement, inefficiency and graft on a grand scale. A commercial traveler who passed the story on to a Liberal member, said that it had long been a practice of the travelers to while away their time on the trains counting the unnecessary and excessive numbers of employees along the Canadian National Lines. There are also many stories being told of the purchasing methods in some of the railway and shipping departments that do not leave a favorable impression. He said further that with 1924 taxes now coming due, the travelers, who perhaps more than any other class are feeling the effects on their commission in the closely reefed business buying, are seriously discussing a refusal to pay income taxes, as long as they are being spent so wastefully. They are quite willing to contribute their share towards the reduction of the national debt, but not for mismanagement or criminal waste which they claim is going on.

The fact that the net deficit of $54,860,000 shown in the annual statement of the Canadian National Raildays for 1924 is about equal to the total income tax revenue paid in that period has now drawn the attention of the business community and taxpayers generally to the seriousness of Canada's railway problem with new emphasis. And as the year's experience and prevailing conditions indicate that there is little to be hoped for immediately in the direction of materially increased traffic, the necessity for effecting a reduction in costs, either by curtailing expenditures of by increasing efficiency, is more and more apparent.

It is being realized that it is too much to expect that the people of Canada will be willing to go on paying four or five times as great income taxes as the people of the United States and then see the whole amount eaten up to supply the deficits of the National railways. Canadian business cannot hope to bear such a burden and provide the country with prosperous conditions.

If the Prime Minister fails to recognize conditions, his followers do not. Herbert Marler, Liberal M.P., speaking in the House of Commons this week, took a very courageous stand by opposing railway expenditures in his own constituency. He also showed that since being taken over by the government, the railways had absorbed of national money $585,848,974.

Alberta Shies at Public Ownership

CALGARY.—Spray Lakes development project is hanging fire. It was anticipated that the provincial government would have made some definite decision in connection with the matter before the house finished its recent session. Premier Greenfield is making further inquiries, but from what can be learned there is not much prospect of the provincial government itself proceeding with the scheme.

Calgary Power Co. is quite prepared to proceed with the project, and in accordance with an arrangement with the government, has for some time been doing a considerable amount of surveying and other work. The point has now been reached for either the government to proceed with the work or for the company to do so. Somehow or other the government, in view of its experiences in public ownership, does not look with particular favor on assuming further obligations in that direction. It is probable that an arrangement will eventually be reached whereby the Calgary Power Co. will proceed with the scheme under a franchise for a certain number of years, and for it to be afterwards taken over by the government at a valuation. Competent engineers state that an enormous amount of power can be obtained.

FEW LARGE FIRES CAUSE OVER HALF OF ANNUAL LOSS

Wider Interest Being Shown in Fire Prevention Methods

(From Staff Correspondent.)

OTTAWA.—That the losses through fire in Canada in recent years constitutes a tax far more burdensome than most people realize was strongly emphasized by the speeches and discussions at the annual conference of the Association of Canadan Fire Marshals and the Dominion Fire Prevention Association this week. Statistics presented by experts in the field of fire prevention and representative officials and business men indicate the seriousness of the situation.

In replying to the speech of welcome delivered by Hon. J. A. Robb, the finance minister, H. H. Shapley, representing the Canadian Manufacturers' Association, pointed out that the cost of the fire waste in 1924 was not only the total reported losses of approximately 46 million dollars, but also about 20 million dollars spent in fire protection. This, he affirmed, constituted a most burdensome tax on all classes. In seeking a remedy he suggested that the government should take steps to compel reasonable fire prevention measures. Sir George Foster, the president, emphasized first the need of a careful directing of public opinion and showed how the association was attempting to widen its scope steadily so that this might be done.

Among the many papers presenting various aspects of the situation was a comparative analysis of the losses, prepared by J. Grove Smith. Dominion Fire Commissioner. The total for the Dominion, he pointed out, rose from $21,583,100, or $2.69 per capita, in 1914 to $45,906,500, or $5.10 per capita, last year, the latter being a small reduction from the previous year. The losses for the decade were as follows:

Year	Property Loss $	Per Capita $
1914	21,583,100	2.69
1915	19,022,300	2.46
1916	23,116,200	3.00
1917	26,296,400	3.32
1918	33,870,000	4.12
1919	25,216,300	3.00
1920	28,081,200	3.27
1921	45,015,900	5.22
1922	64,390,000	6.20
1923	48,282,300	5.45
1924	45,906,500	5.10
Total ..	$370,782,800	$43.82

Possibly the most striking proof that these losses are too high is furnished by a comparison Mr. Smith made with Great Britain, where the entire 1924 fire losses only amounted to $37,204,500, or 87 cents per capita. That the heavy losses are not confined to any particular provinces is indicated by the following tables:

Provinces	1923	1924
Alberta	$3,002,426	$2,875,138
British Columbia	3,941,512	4,046,673
Manitoba	3,722,670	3,174,296
New Brunswick	1,925,450	1,999,963
Nova Scotia ..	1,804,090	2,122,210
Ontario	18,344,600	16,312,425
P. E. I.	139,420	236,263
Quebec	11,642,390	10,966,627
Saskatchewan ..	3,198,730	3,476,595
Floater	561,066	696,341
Total	$48,282,354	$45,906,531

From this it will be seen that re-

(Continued on page 19)

ONTARIO MERGER IS ON BIG SCALE

New Paper Enterprise Would Have Daily Output of 1,600 Tons of Paper

From Our Own Correspondent.

MONTREAL.—The merger of newsprint producing companies in northern and northwestern Ontario, that is now being actively negotiated, is planned on a basis that would give the new company, that would be formed, the largest daily output of newsprint paper of any company in the world. If the Backus Spanish River and Abitibi interests succeed in uniting their enterprises they would then operate seven big mills with a total capacity at the present time of 1,635 tons per day. Several of the mills are capable of greater expansion and in time the enterprise would likely attain to a daily output of 3,000 tons per day, if suitable markets could be found and financing could be economically arranged.

The mills mentioned as likely to join the merger are the mill of the Backus-Brooks Company at Kenora; the mill owned by the same interests at Fort Frances and known as the Fort Frances Pulp and Paper Company; the Abitibi Power and Paper Company at Iroquois Falls; the three Spanish River mills at Espanola, Sault Ste. Marie and Sturgeon Falls, as well as the mill owned by Fort William Paper Company, which is under control of interests associated with Spanish River.

The capacity of each of these mills at present is as follows:

	Tons per day
Backus-Brooks Co.	100
Abitibi Power & Paper	525
Fort Frances Pulp & Paper..........	150
Fort William Paper Co.	160
Spanish River Pulp & Paper..........	700
	1635

$150,000,000 Gold Production of Ontario in 15 Years Answers Keynes

"Twenty-five years have elapsed since an important gold deposit has been discovered."

This is a statement made by J. M. Keynes in his book on Monetary Reform published last year. It was made in his argument for a managed currency as opposed to a return to the gold standard. He was making the point that the gold standard was unsound because the sources of supply for the yellow metal were failing.

Keynes is regarded as a high authority in England. The wide circulation and evident acceptance of the statement quoted above indicates a remarkable ignorance in England of what Canada has been doing in the development of gold resources. As the Wembley Exposition will open next month, strong efforts should be made to press forward Canada's mining position, which it itself is an evidence of the fallacy of Keynes' statement as the following figures on Northern Ontario mines that have produced over $1,000,000 show:—

Porcupine	First shipment	Total to end 1924
Hollinger	1910	$83,594,273
Dome	1910	26,756,239
McIntyre	1912	20,326,327
Porcupine Crown	1913	2,871,847
Vipond	1911	1,431,071
Kirkland		
Lake Shore	1918	$ 3,796,292
Teck Hughes	1917	3,625,041
Tough Oakes	1913	2,101,156
Wright Hargreaves	1913	3,076,335
Krikland Lake	1919	1,079,591

Porcupine to date has produced $136,459,187 and Kirkland Lake $14,085,272.

Eaton's After $25,000,000 Business From Montreal

This is Said to be Objective This Year in New Eastern Store—Handled Change Over With Despatch, Discarding Old Policies Quickly

From Our Own Correspondent.

MONTREAL.—When the T. Eaton Company came to Montreal and bought out the old Goodwin's store it did not start upon any gradual process of transformation. Policies of many years' standing were upset and overnight the Goodwin's enterprise became a piece of the Toronto company. There were new prices, new wages, new hours, new delivery system, new cash policy, new merchandise, new advertising.

Before the Eaton heads decided what they were going to do in Montreal they studied statistics of every kind that could throw any light upon the possibilities for business. They discarded Goodwin's previous records of turnover as of no value in determining what Montreal could produce in the way of yearly sales. Instead they studied the income tax figures and found that Montreal paid larger amounts in income taxes than Toronto. They studied automobile registration figures and saw that while Montreal did not have as many automobiles as Toronto it had a higher proportion of expensive cars. They studied telephone installation statistics; they studied population figures. It is stated that they felt that they could count on increasing a turnover of the store from around six million dollars a year to about twenty-four million a year with gradual increases after that. They felt then that they could, with confidence, make plans to double their staff; to enlarge the store as rapidly as contractors could do the work; that they could send to their buyers all over the world instructions to invest millions in merchandise. If Eaton's make good in Montreal it will be because of analysis and vision, and methods tried in the Montreal store and being confidently rushed into use in the new store.

Reputation to Live up to

Usually when a department store opens up it is an entirely new enterprise that must make its reputation as it goes along. In the case of Eaton's, however, the reputation of the store had preceded it. It was essential to the company's policy then that Eaton's should start off on their very first day in control with prices and policies that would meet the expectations of the public.

This was the thought that impelled the company to make such an immediate and radical change in the Goodwin's policy. The store was closed down for a day during which all the merchandise in stock was re-priced, an average reduction of about 25 per cent. being effected throughout. Dozens of managers from the Toronto store came to Montreal to assist in this work. Last week there were 189 men from the Toronto store registered at one of the local hotels. All the lines that were considered unsuitable were priced for quick clearance. A bathrobe selling at $20 which was cleared out at $3.95 is a typical example of the method used to get rid of lines the Eaton firm did not wish to continue.

Carloads of merchandise from the Toronto store were sent to Montreal to freshen the stock, and from the very first day an attempt was made to interest Montrealers in Eaton's own brand of goods.

Higher Wages Being Paid

One of the first steps taken was to establish a higher minimum wage throughout the store. The basis of the new wages was practically the same as the minimum wage level established by law in Ontario. Girls who had received $7 a week were advanced. No changes in staff were made; but it does seem certain that these wages will draw to the store the best class of employees. Certain it is that the wagging tongues of delighted girls has done much to win popular approval for Eaton's throughout Montreal.

Similarly the minimum age enforced by law in Ontario was adopted in the Montreal store and the order went out that boys and girls who should be at school were not to be taken on the staff. In the interests of the staff a further move was made when the closing hour was changed from 6 o'clock to 5.30. In this connection it is worthy of note by business men that the Eaton firm did not pay any attention to the established policies of the stores in the city in making these innovations, but made themselves a rule unto themselves.

The staff was added to and "circles" that had 3 or 4 clerks were given as many as 8 and 9. This was done not only to look after the increased turnover that was expected, but to relieve the existing organization from what was considered a condition of over-work.

To Wagon Delivery

The delivery system of the store was changed at once. Wagons were brought from Toronto and added to the delivery system. In the past Montreal department stores had largely depended upon motor truck deliveries. Eaton's expected to do a much larger business and to have such a large number of stops on each block as to make advisable the use of horses. There were other advantages for the horse system which were taken into consideration. The horses brought

(Continued on page 16)

SEEDING 20 DAYS AHEAD OF 1924 ON PARTS OF PRAIRIES

Outlook is 90 Per Cent. Will be Completed by May 16

By E. CORA HIND,
Agricultural Editor, Manitoba Free Press,
Winnipeg.

WINNIPEG.—The West has had a three-days rain which has delayed work a little, but conditions generally continue to be most favorable. The Manitoba Free Press has called for a seeding report and replies have been prompt and indicate that in Southern Manitoba rather more than 60 per cent. of the wheat is seeded, in Southern Saskatchewan about 50 per cent. and from 35 to 40 per cent. in Southern Alberta. Seeding is again fairly general in the centre of all three provinces and will be general in the north by about the middle of next week. The largest wheat areas are, of course, in the south and centre.

The seeding report for 1924 was called for May third, and on that date it was stated that seeding would be general the following week. This indicates that 1925 wheat seeding is well in advance of 1924, indeed from 10 days to two weeks for all the provinces and about 20 days earlier in Southern Manitoba and Saskatchewan.

Pleases Everyone

If the weather continues as fine as it is to-day 90 per cent. at least of the wheat will be seeded by May 15, which is what everyone who has had experience in the West likes to see.

The reports on condition of seed beds are universally satisfactory, there is plenty of moisture everywhere, a trifle too much in few spots in the north. The large areas on North Central Saskatchewan and Alberta that suffered so much from drought last year all report on an abundance of moisture and an earlier seeding than almost any previous spring. The reports do not indicate any material increase in wheat acreage, for while some districts, notably in Saskatchewan, report an increase of 5 to 15 per cent., a number of districts report decreases, so that when increases and decreases are balanced up, the acreage will probably be about the same as 1924, namely, a little over 21,000,000 acres.

Outside of Manitoba very little seeding of coarse grains has been done, but spring cultivation is being pushed rapidly and the outlook is for increased areas in coarse grains, and for a material increase in all three provinces of the acreages of corn and sweet clover. It is a far cry from seeding to harvest, but at the moment seeding conditions over the entire prairie west are very satisfactory.

COMPETITION BY GOVERNMENT IS NOT THE ANSWER

Would be Handicap to British Shipping in World Trade

NO COMBINE ON RATES

Charges Have Always Been Regulated by the Keenest Kind of Competition for Business

From Our Own Correspondent.

OTTAWA.—That Great Britain is not nearly so strong a commercial sea power as she was before the war, that she is having keen competition with European shipping nations, and that government interference with rates would play into the hands of foreign competitors and would be bad for all concerned, was indicated by the testimony of H. M. Cleminson, general manager of the Chamber of Shipping of the United Kingdom, before the ocean rates committee of the House. He made a very favorable impression and undoubtedly helped the committee to visualize the situation better. This was necessary before a worth-while opinion can be arrived at on rates.

Hearing Mr. Cleminson one could not but conclude that during the war and since the British Merchant Marine has had its own troubles. He frankly stated that the war was nearly lost through lack of shipping, and that insofar as Great Britain is concerned, she is not relatively in nearly as strong a position as she was before the outbreak of that great struggle. Early in 1914 she had about 50 per cent. of the merchant shipping of the world; now she has a little more than 30 per cent.

Another impression one got was that British shipping is firmly convinced that it will hold its own, if left alone; but that governmental interference with rates would be bad for all concerned. Mr. Cleminson's attitude seemed to be this: it might just as well be realized from the start that a remedy is not to be found in government action. The truth is that British shipping has been built up and has flourished under such fiercely competitive conditions that those who direct it appear to be convinced that only under such conditions is its future assured. Mr. Cleminson quietly ridiculed the idea of the existence of a world's shipping combine, and said that even if it were desired is could not be formed.

It was also quite clear from Mr. Cleminson's remarks that the Germans are making steady headway in their effort to regain their old place in the shipping world. Indeed, he hinted that he did not care to say just what inroads they had made.

(Continued on page 18)

Hamilton Has Hydro Deficit Despite Big Rate Increase

HAMILTON.—The 1924 report of the local Hydro system shows a deficit of $11,336. It was expected that the $24 rate for power would cover the Ontario commission costs, but a thirteenth power bill was received amounting to $19,957, which resulted in the deficit.

The price of power to the local system has been increased from $13.46 in 1918 to $25.08 in 1924, which means an additional expenditure for the year in cost of power alone of $268,061.

During the past two years the commission has been fighting against an increase in rates to the consumer, but it has not been definitely decided what action will be taken should the factory load not be increased in the near future.

FEATURES

B. C. is Becoming Important Centre of Distribution 2
May Soon Know Oil Possibilities of South Alberta 3
Buy Seasoned Issues, Brokers Advise Clients 4
Oppose Prison Labor Taking Workers' Jobs 5
Wayagamack's New Financing Pays for News Plant 6
Jamaica Power Popular Project in Foreign Field 7
Much Strength in Many Issues in Mining List 8
How One Cheque Artist Was Cleverly Outwitted 9
5,500 Mile Tour Gives N. C. R. President Confidence in Canada 10
Public Evidently "Fed Up" With Government Ventures in Business 10
Security Values Do Not Follow Commodity Prices 11
Big Provincial Issues Quickly Taken Up in N. Y. 12
Board Urged for Municipalities in Difficulty 13
Life Values Not Protected as Those of Property 14
Fairbanks-Morse Likely to Climb Forward in 1925 15
Maritimes Coal Strike Already Lost to Miners 16
Psychology Not Only Factor in Trade Depression 17
Says U. S. Loans to Germans Menace Industry 18
Railway Costs Now Live Issue in the Commons 19
Make Motor Fuel From Molasses is New Project 20
Editorial—That Capitalistic Class—Wanted; A Commonsense Tariff—The West Has Recovered 10

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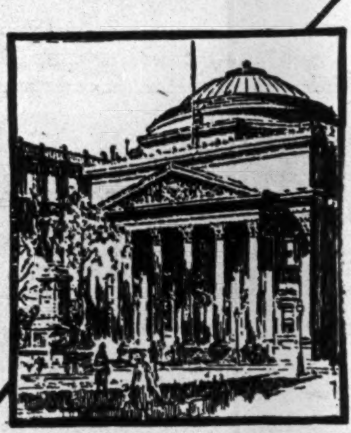

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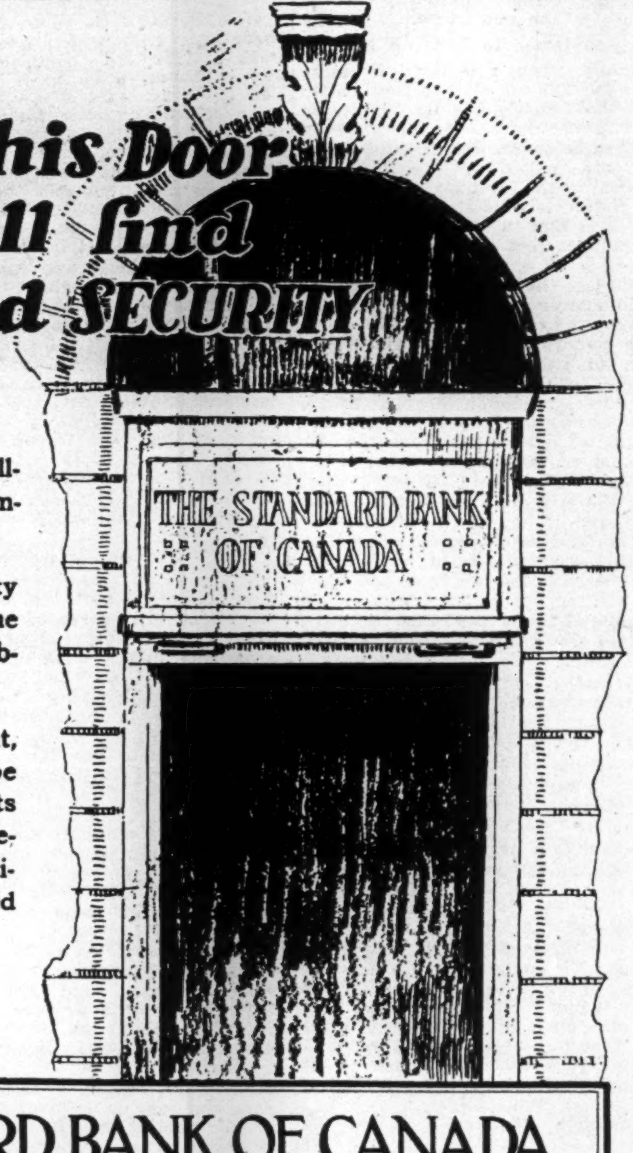

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B.C. IS BECOMING IMPORTANT CENTRE OF DISTRIBUTION

Province is Forging Ahead in Mining, Building and Shipping

While business has been marking time in many sections of the Dominion during recent months, the area contiguous to the Pacific coast has been making rapid strides in many directions. There has been greater activity in the mines; the fishing industry has been making steady and satisfactory progress: the lumber market is stable and the outlook is brighter than for months. Furthermore, the growth of Vancouver as a world port as well as a distributing area for the West brings business to the entire province.

This growth of Vancouver as a distributing area promises to have very marked significance later. Even now the three big departmental stores are expanding their premises, and facilities for the purpose of carrying on a larger business throughout the West, and the fringe of Vancouver's commercial influence is extending constantly eastward. Better facilities are being extended, meanwhile, to the outlying sections of the province itself.

The general growth of the province is being reflected in its building program. For the first two months of the year the total of building permits was 50 per cent. above that for the same period last year. The same movement continued for March, but March of last year had certain large building undertakings which make a comparison misleading.

The coast province did not suffer from the drastic decline in the grain yield as did many of the other provinces. In fact, British Columbia's wheat, barley, mixed grains and potato crops, were larger than the previous year, and the acreage sown to field crops was the largest in the history of the province. The total value of the field crops, however, declined marginally from $18,912,000 in 1923 to $17,392,000 last year. Last year's fruit crop was much larger than first of season estimates indicated. Prices were favorable as compared with those of the two previous seasons, and returns to the growers in most cases netted more than was expected, with the result that business took a better turn in the fruit belt. The snowfall in the fruit districts was probably the heaviest in twenty years, and other very favorable factors point to a large yield in 1925. Small fruit plants, however, have not wintered so well. The inauguration of a larger co-operative selling system is expected to enable the growers to market their fruit more favorably than before.

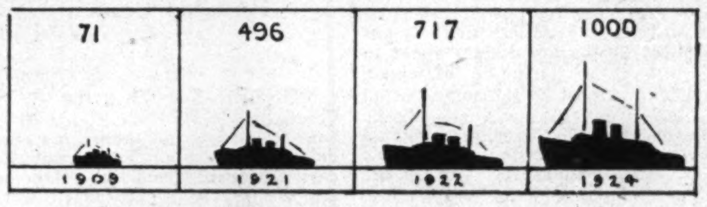
Despite the coal strike, British Columbia has had the best mining year in the history of the province. Old properties that have been dormant for years have again come in for development. The previous metal record was in 1916, when the yield was $31,483,000. The 1924 output is estimated to have bettered that total by about $4,000,000. Nineteen-sixteen had previously held the record for total output at $42,290,462. The estimates for 1924 exceed this amount by about $6,000,000, and the 1923 figure by about $7,000,000. The outlook for 1925 is very promising inasmuch as there is constantly increasing activity in all parts of the province.

The salmon pack for 1924 was the largest ever made in the province, totalling 1,745,313 cases, or 400,000 cases larger than any single pack of the last five years. The increase was due to the heavy catch of pinks and chums. In 1923 the value of the salmon pack was $13,130,000, and the total of all fishery products, $18,921,100. The value of the 1924 output was approximately $20,000,000. Progress continues also in halibut fishing and in the other branches of the industry.

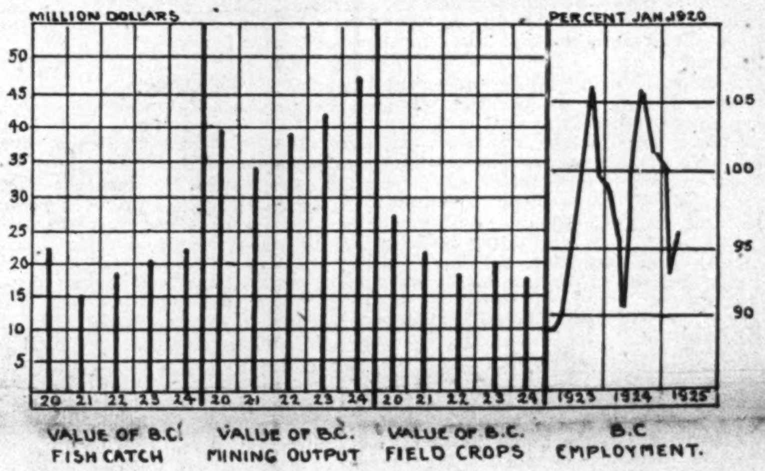
Fairly large areas of timber throughout British Columbia are now being opened up, and the commencement of logging operations is being felt in retail lines, especially hardware. There has been a decided improvement in the shingle trade and prices have risen a few cents. Demand from the central states continues, but the bulk of the product is going to the Atlantic both by water and by rail. A satisfactory volume of orders have been received, and the outlook in the industry in general is bright.

All these factors have been reflected in the gradual increase which has been taking place in the volume of retail business, and in the generally improved feeling. Shipping continues to forge ahead, and Vancouver is rapidly assuming the premier position as a Pacific port.

Following are statistics showing the recent development of the coast province:



SEA GOING VESSELS ENTERING VANCOUVER H'BR.



THE FINANCIAL POST

BUILDING PERMITS
First Two Months

1923	$753,352
1924	638,296
1925	959,368

MINING OUTPUT

1922	$39,423,962
1923	41,304,320
1924	48,693,392

VALUE OF FISH CATCH

1921	$13,953,670
1922	18,849,658
1923	20,795,914
1924	*22,000,000

* Estimated.

VALUE OF FIELD CROPS

1922	$18,273,000
1923	18,912,000
1924	17,392,000

Ontario Snow Storm is Good for the Farmers

Though many have found the week-end snow storm annoying, it has been appreciated greatly by the farmers, particularly in Central and South-western Ontario where moisture was required and it formed protection against the frost which followed, says the Ontario Department of Agriculture. In most districts wheat has been at a standstill and in some sections has suffered a setback on account of the continuous dry winds and frosts. Few fields have been sufficiently injured to warrant breaking up but in Kent some wheat fields have been reseeded with spring grains. While the frequent frosts have been considered harmful to meadows in some counties, on the whole young clover is reported in a satisfactory condition.

The rush of spring grain seeding is over in the Southwestern Counties and the more favored parts of Central Ontario. As far north as Perth and Peel from 80 to 85 per cent. has been estimated sown. Eastern Ontario has seen little activity in the fields except plowing and general preparation. The snow of a week ago left moisture which did not evaporate quickly. A few dry fields have been seeded in Kenora district and sowing has been general in Rainy River.

FARMERS OF SASK. REFUSE TO LIMIT WHEAT ACREAGE

Largest in Province's History Despite Warnings to Sow Less

From Our Own Correspondent

REGINA.—Saskatchewan is sowing the largest wheat acreage in the history of the province. More than thirteen million acres will be sown to wheat this year of a total acreage which is expected to exceed twenty million acres in all grains. Already the wheat pool has protested against the glowing reports of "abundance of moisture" and "record acreage," which it fears may be used to further depress the wild and bucking grain market.

Hints have been thrown out that with one of the lightest crops in years in 1924, the returns to the farmer were on the whole more satisfactory than in the bumper year preceding when the wheat crop of Saskatchewan alone according to the latest estimates exceeded Canada's entire wheat crop in 1924. Why then should the farmer try to make more money by growing more wheat when he actually made more last year by growing less?

The following is the "Ca' canny" letter of advice sent out from the wheat pool office, suggesting a decreased acreage:

> The average price that the farmers of Western Canada will get for their wheat this year will be more than equal to what they received for twice the amount sold last year.
>
> One very good reason under the present system of marketing is that the 1924 crop production was only some 60 per cent. of the wheat output in 1923.
>
> What will be the outcome?
>
> On Saturday, April 11th, there appeared in The Regina Leader a story on crop conditions, headed "Acreage Will Be Greater Than in 1924 is Report."
>
> Every year the same thing happens. Those crop reports are sent ringing round the world and the speculator prepares to bid at lower prices for the new crop almost before the snow is off the ground.
>
> At the same time, the average farmer, with last year's prices in mind, prepares to make a killing next year, forgetting that, by increased production, he cannot hope to reap the same returns per bushel. He is always one year behind in his mental operations; the speculator is a year ahead—and the speculator stands to win.
>
> The world demand for wheat is steadily spreading, but there is always a limit to the amount that can be absorbed.
>
> A consistent production, within the limits of climatic and other quantity reducing conditions is necessary to a consistent world price.
>
> This year, watch your step. You cannot sell next year's wheat on last year's prices.

The western farmer is constitutionally unable to practice the "Ca' canny" policy which a certain faction of organized labor in the Old Country has been advocating and practising for years, with rather disastrous results, and as an editorial in a Saskatchewan farm paper pointed out so long as there are millions hungry in Europe, and wheat continues to be in demand, the western farmer will put in every acre that he can, regardless of warnings to go slow from the American secretary of agriculture or anybody else. Even if the farmers on one side of the line deliberately reduced their acreage and slowed down production, it would only encourage their neighbor across the line to more frenzied effort in strenuous spring rush.

Conditions Unusually Favorable

The present spring is not only the earliest in years, the snow disappearing with startling rapidity, but there is a greater acreage of land for the seed drill and the drag harrow than has been the case in any previous spring, for owing to the crop failures in many districts last year and the light crop over the greater part of the province which was quickly threshed and got out of the way, there was a great deal of summer-fallow and fall plowing as well as a substantial amount of new breaking. It is estimated that fully eight and a half million acres in the form of new breaking, summer-fallow and fall plowing was practically ready for seeding this spring, requiring only a few strokes of the harrow to be ready for seeding.

There is plenty of moisture in the ground and the weather is ideal for seeding. Farmers and business men alike, are hoping for a good crop. The West could do with it, but the West does not bank on a crop to-day simply because the ground is full of moisture in the spring. Every crop looks good in June. Hail, frost, drouth, grass-hoppers, wheat-stem-saw-fly, cut worms, wire-worms, gophers, rust and smut and a dozen minor pests and plagues will take toll of the crop before the farmer gets it safely threshed and into the elevator or the box car. All that can be said is that the wheat crop of 1925 is off to a good start.

Canadian Conditions

Car Loadings—			
	1925	1924	
Week Apr. 11	45,263	53,070	—14.7%
	1925	1924	
Yr. to date	768,350	781,596	— 1.7%
Grain Receipts—			
Aug. 1 to Apr. 10	214,811,897	332,013,525	—35.3%
Building—			
	1925	1924	
March	$7,652,066	$8,753,840	—12.5%
	1925	1924	
3 months	$16,022,572	$17,352,700	— 7.6%
Bank Clearings—March—			
	1925	1924	
	$1,192,647,368	$1,191,526,555	— 0.9%
Savings Deposits—Chart. Banks—			
	1925	1924	
Feb.	$1,260,879,805	$1,192,561,512	+ 5.7%
Current Loans—By Banks—			
	1925	1924	
Feb.	$908,362,432	$987,896,983	— 8.0%

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Net Dominion Debt—Mar. 31—			
	1925	1924	
	$2,403,005,035	$2,409,326,639	— 0.2%
Railway Earnings—			
February—	1925	1924	
C.P.R.	$11,786,710	$13,083,122	— 9.9%
Oper. ex.	10,632,009	12,005,272	—11.4%
Net	1,154,700	1,077,849	— 7.1%
2 Months—	1924	1923	
C.P.R.	$23,683,223	$26,475,554	—10.5%
Oper. ex.	21,944,754	24,537,305	—10.5%
Net	1,738,469	1,938,248	—10.5%
February—	1925	1924	
C.N.R.	$16,486,042	$17,784,518	— 7.3%
Oper. ex.	15,874,318	17,971,559	—11.7%
Net	611,724	*187,041	..

*Deficit.

2 Months—			
C.N.R.	$33,202,510	$36,113,009	— 8.1%
Oper. ex.	32,317,984	35,850,633	— 9.9%
Net	884,526	262,376	+237.1%
Balance of Trade—			
12 months Feb. 28—	1924	1923	
Exp.	$1,066,681,325	$1,029,478,881	— 3.6%
Imp.	799,278,046	898,338,916	—11.0%
Bal.	267,403,279	131,139,965	—103.9%
May Wheat, No. 1, Nor. Winnipeg—			
	1925	1924	
	April 20—$1.56	April (Aver.)—98c.	

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HEBRIDEANS FOR ALBERTA

One hundred families of Hebridean settlers for the Vermilion district are expected to arrive in Alberta during the latter part of May.

MAY SOON KNOW OIL POSSIBILITIES OF SOUTH ALBERTA

Imperial Company About to Test Out Turner Valley Field

From Our Own Correspondent.

CALGARY.—Imperial Oil is ready to start a real testing out of the Turner Valley field, where the Royalite well No. 4 is producing 300 barrels of crude naphtha daily. Two wells Royalite 5 and 6 are to be started immediately. The rigs are now being set up. They will be carried through to the deeper sands. When completed the company believes it will then know whether they are into a body of high gravity oil or a wet gas field. The company is using gas from the No. 4 well to run its drilling equipment and burning the balance. If gas is encountered in other wells, plans will likely be made to extract the sulphur, which at present makes gas so obnoxious as to be valueless from a commercial point of view. The from the well is mixed with crude at the refinery and thus refined. It is said to be about 97 per cent. gasoline. At Dead Horse in the Sweet Grass section No. 2, Rogers-Imperial well, down 1,000-ft. will be continued while another at Rice Creek, south of the Royalite, down 1002-ft. will also be continued. This is in a different structure than at Turner Valley, but on the top of a dome. The company's fifth effort will be at Coalspur, west of Calgary in the foothills where a well is down 3,105 ft., while the well started some time ago at Fort Norman, No. 2, is to be finished. This constitutes the whole program of the Imperial Co., as prepared for this summer.

Others Have Oil

The MacLeod well, half a mile south of Royalite No. 4, is producing about 25 barrels a day of high grade crude. The well is now at a depth of 2,397 feet.

The Illinois-Alberta well, within a mile of Royalite No. 4, the other day, in the presence of Montreal and Calgary visitors, spouted a four-inch stream of high gravity oil for ten minutes with 600 pound gas pressure. This well is about 2,340 feet deep at the present time.

There are quite a large number of other concerns busily engaged in drilling or making arrangements to commence work immediately the necessary drilling outfits are on the spot. There is every indication that much activity will be displayed this summer throughout the whole of the Turner Valley and in other centres of Alberta where there are possibilities of oil.

TO MEET PROPAGANDA IN GREAT BRITAIN

Experienced Publicity Officer Under High Commissioner Larkin is Recommended

From Our Own Correspondent

OTTAWA.—The Wembley Exhibition Commissioners recommend that the Federal government's publicity activities over there be centralized and placed under the direction of a skilled publicity agent under the authority of the high commissioner. This recommendation is important, for it is along the line that reform of this kind will take both at home and abroad. The commissioners say:

"The outstanding position of Canada flanked by its two national institutions, the Canadian Pacific and the Canadian National Railways, at Wembley has brought home to us the value of centralization in the overseas field, and that now that Canada will be in evidence as a unit in so far as its federal activities are concerned in London, we think that the time is opportune for a centralization on behalf of Canada's interests in publicity and advertising.

"We recommend for the consideration of the government and the parliament of Canada an approach to this question for the greater good of Canada, as there is no doubt that from a publicity point of view other overseas dominions as units are much more in evidence than Canada is. It is true that our offices of trade and commerce, department of agriculture, immigration and colonization, placed as they are in the several centres of the United Kingdom, have given us an advantage far beyond other dominions in an advertising way, but for the publicity of Canada we should centralize and have under the direction of the High Commissioner of Canada a publicity officer of such ability and standing with the press of the United Kingdom that under no circumstances would the press of that country publish any article derogatory to Canada without at least giving us an opportunity of stating the facts in the same issue as the complaint, accusation, or statements that were being made. This, we think, is essential, as there is a decided propaganda which can only be overcome by a proper organization centralized both in Canada and the United Kingdom."

Wage Earners Benefit at Expense of Salaried Class

With regard to the much debated question as to how far salaries and wages have kept pace with the decrease in the purchasing power of the franc in France, the Bankers' Trust Company is advised by its French Information Service that the French Government Statistical Department, in a recent study of this subject, estimated the real gain for the working classes as compared with pre-war conditions at from 20 per cent. to 30 per cent. and that of the minor clerical employees at from 10 per cent. to 15 per cent. while the loss suffered by the middle class of salary-earners was put at 10 per cent. to 20 per cent. and that of the upper class at 20 per cent. to 40 per cent.

The Toronto General Trusts Corporation announces the appointment to its staff of Percy Joliffe as sales manager of its real estate department. Mr. Joliffe was formerly with Harton Walker and Gibson Bros., Toronto.

How Sales Tax Discriminates

Example Number 13

Articles on the exempted list may be imported free of sales tax and there is no element of tax present in the price at which they are sold in Canada by the foreign manufacturer. But, subject to certain exceptions, the Canadian manufacturer is required to pay a sales tax on the materials out of which the tax-exempt domestic article is manufactured. For example, the Canadian manufacturer of bibles, prayer-books, psalm and hymn books, religious tracts, etc., must pay sales tax on factory equipment and on materials, paper, ink, etc., whilst these articles completely manufactured abroad may be imported free of sales tax.

Gold and silver, which constitute a very considerable part of the raw material out of which jewellery is made, are exempt from sales tax.

The manufacturing jeweller has to pay the government 5 per cent. sales tax on the sale value of his product, whereas the retail jeweller makes up similar goods on his own premises and sells his product free of sales tax.

MAKING CANADA PLAYGROUND OF BRITISH EMPIRE

Publicity Campaign Being Recommended to the Government

From Our Own Correspondent.

OTTAWA.—In their report to parliament the Wembley Exhibition commissioners strongly recommend that a campaign be started for the development of a world tourist traffic to Canada. They also express the confident opinion that from this standpoint the exhibition was a decided success. The report says:

"Canada's participation in the British Empire Exhibition in so far as it affects tourist travel, has been fully justified. It is a well established fact that immigration and commerce follow the tourist, and we fully believe that an intensive development of the tourist business for Canada would mean not only immediate benefits which would accrue from that travel but would also be the means of interesting the right kind of investor and settler to our country.

"Canada possesses practically all attractions which tourists can desire. She has the mountains and lakes of Switzerland, the hills, valleys and lakes of Scotland, coast resorts on both the Atlantic and Pacific, the equal of any on the continent of Europe or in the United States, and in addition, wonderful forests and prairie lands to an extent which no other single country possesses.

"With the exception of some work by the Canadian railways, little has been done in Canada in the way of developing a world-wide tourist business. Switzerland and Italy practically live on the revenue derived from tourists, and France and several other countries in Europe look upon them as one of the largest sources of revenue.

"This exhibition has aroused a keen interest amongst the leisured class of Europe, as to the opportunities afforded in Canada to sportsmen, hunters, and those desiring to travel, and hundreds of enquiries have been made by people who have never looked upon Canada as a country for holiday making, and we feel sure that next summer travel to Canada from Europe will increase considerably. This is borne out by the report which has been received from the railway companies.

"One hundred thousand copies of a pamphlet entitled, 'Canada—Playground of the Empire,' were distributed at the exhibition and in the principal cities of the British Isles.

"The distribution of tourists' literature, the showing of motion films, and giving short talks on the scenic resources of Canada, did, we believe, prove the value of more extended work in that direction.

"The general attendance at the exhibition up to the date of our departure was 14,000,000. It is a safe saying that eighty per cent. of these visited the Canadian pavilion where they had visibly illustrated to them the wonderful potentialities of the Dominion."

Maritimes Should Have More Than Justice

From Our Own Correspondent.

MONTREAL.—The London Times has been the medium for an exchange of letters between H. S. Congdon, editor of the Maritime Rights, published in Halifax, and Sir John Willison, Canadian correspondent of the Times. The controversy started with an article by Willison discussing the situation of the Atlantic Provinces which was criticized by Mr. Congdon. The letters are chiefly interesting for Willison's view of the possible secession of the Atlantic Provinces from Confederation. Sir John states:

"Put to the actual test, I do not believe that the Atlantic Provinces will secede, nor do I believe that they would gain any advantages from secession. Mr. Congdon says: 'Either the ancient contracts must be kept and a fair division of the public expenditures be made here, or we shall secede.' As a matter of fact, no contract, ancient or modern, has been broken. Substantially from Confederation until now the national policy of Canada has been approved by the Maritime Provinces in so far as opinion can be expressed by a people at the polls. On the other hand, I do believe that we should so fashion our national policy as to send Canadian out-going traffic in greater degree through Atlantic ports, that as far as possible we should so adjust transportation charges as to increase trade between the Eastern Provinces and the rest of Canada, and that in expenditures for immigration and industrial and rural development we should be even more than just to Maritime Canada. Under a federal system it is sound policy to hand out more than legal ujstice to the smaller communities in the Union."

EATON COMPANY AT EDMONTON

EDMONTON.—Extending its commercial ventures into Alberta, the T. Eaton Company will shortly establish a branch store in Edmonton, it was unoficcially announced here. It is stated that the firm will operate a mail order business and groceteria only at the present time.

DEFEATING EVILS OF PRICE-CUTTING

How P.A.T.A of England Has Established Air-Tight Maintenance of Established Price

The evils attending ruthless cutting of prices, always a subject of great importance to retailers in any line of trade, have been very largely eliminated in the drug trade of England due chiefly to the organization of the Proprietary Articles Trade Association in which Sir Wm. Glyn-Jones has been a prime mover. The work of this association and result of its efforts were outlined by Sir Wm. Glyn-Jones at a luncheon of the Canadian Pharmaceutical Association in Toronto.

The need for some joint action to meet the problem of price cutting had shown itself seriously some 29 years ago in England when it was found that proprietary articles which represented about 60 per cent. of the volume of business were being sold at a gross profit of 7½ per cent. when costs of doing business averaged 25 per cent. The unprofitable lines were being sold at the expense of the profit-makers and the absurdity of manufacturers spending large sums of money to acquaint the public with prices on their lines was evident when such lines were drastically cut by retailers and wholesalers.

The uncertainty of ever knowing just what the market price was under such a system was also evident, customers dictating the price at which they bought merchandise by stating an alleged price quoted on the same article by a competing retailer. The merchants were so suspicious of each other that they dared not call each other to confirm the price and so the vicious circle continued with the customer benefiting at the retailer's expense.

Favoring an established minimum price Sir William pointed out that not only did it offer bigger possibilities for profit but gave a merchant a more comfortable feeling because he knew that his price was the lowest price available.

The same price cutting was carried on by jobbers' salesmen in an effort to get business and when a retailer had managed to squeeze a better price from the jobber, he still did not know whether he had "done" the jobber or whether the jobber had "done" him. For such a situation everyone blamed everyone else but himself.

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The Securities Markets

BUY SEASONED ISSUES, BROKERS ADVISE CLIENTS

Market Had Another Period of Weakness—Most Movements Fractional

MARKET INDICATOR
(20 Industrial Stocks)

Week Apr. 22		Week Apr. 15		Apr., 1924	
High	Low	High	Low	High	Low
73.6	71.1	73.8	72.1	68.4	63.7

Irregularity with a trend toward weakness featured the market for the past week. Outbursts of speculation on the part of the public seem to have passed for the time being at least, and the bulk of the trading now going on is attributed to the professional element. Two features of the week have been the decline in money rates at New York, while bonds in both the United States and Canada have strengthened. The outburst in speculation at New York, which reached its height in January, was blamed for the tightening of the money rates. It is now being stated by leading brokers that there was a fear that if the period of speculation had been successfully continued it would have diverted to speculation the surplus bank resources. At the same time there was a great deal of talk about a trade boom, there would have been a serious situation when the needed capital for fixed investments was withdrawn.

However, it is now stated that this prospect is definitely changed. Trade will face normal and steady growth. The incentive for further attempts at wild periods of speculation is not there, leading brokers say, and industry is not to be called upon for heavy capital expenditure to meet increased demands. Thus money has eased.

Guessing Going On

Reviewing the table appended below, it will be noticed that inactive stocks and losses for the week were both in excess of the advances. The great bulk of the movements were fractional. Brokers admit that there is a great deal of guessing going on. As far as speculative issues are concerned, the leading houses seem a unit in advising clients to leave them alone and to give their attention and support to those shares of seasoned character that have had a proven earnings capacity and dividend record over a period of years. In other words they are strongly in favor of careful selection. Not a few of them are telling their clients that the bond market presents as many points of interest as the stocks with the element of chance greatly reduced.

Hayden and Stone, seasoned market followers, strongly emphasize these points when they state:

"There has rarely been a time when there were so many cross-currents; such a generally mixed situation. This applies both to industry and to the stock markets. Commodity prices are tending down and profits tend to diminish; yet there are quite numerous exceptions of companies reporting good profits. The stock market reflects this unusual situation. Within the last six weeks we have seen several issues advance 20-25 points and others decline an equal amount. There is still heavy public participation, but the ease in money serves as a great stabilizer. It is essentially a time calling for intense selection and bearing in mind that the general level of stocks is still very high."

When the Next Move?

Moody's Review brings out the uncertain market position by the development of another angle, i.e., when is the next market movement to be expected? In this regard they say:

"Just when the next rise in stocks may occur or acquire speed appears doubtful. Perhaps the spring rise in both stocks and trade will take place a little late, as did the winter reaction. Perhaps, too, the stock market may mark time around this level until the middle or latter part of the summer, when the so-called autumn rise usually begins.

"Conservative men, however, should evidently take an optimistic position, because bear movements and business depressions do not occur until after business gets into an unhealthy condition. Any process of becoming unhealthy implies over-expansion, which in turn implies an upward movement of stock prices."

The trend of the Canadian market is shown by the following table:

	Gains	Loss	Unch.	Ttl.
Banks	3	6	1	10
Paper	1	5	7	13
Steel	2	6	8	16
Milling	1	7	3	11
Utilities	8	5	6	19
Tractions	4	4	4	12
Textiles	4	2	8	14
Industrials	10	18	18	46
	33	53	55	141

Cement Production at About the Same Level

From Our Own Correspondent.

MONTREAL. — The Canada Cement Co. has been trying for some years to build up export markets in cement in the West Indies and South America but without great success. It is shown by government figures issued this week that exports of cement from Canada in 1924 were only 153,520 barrels as against 340,231 barrels in 1923.

The same group of figures indicate that while the production of cement in Canada in 1924 was approximately the same as in the previous year as regards the number of barrels produced, the value was much smaller. This was due to the reduction in price effected during the year by leading producers.

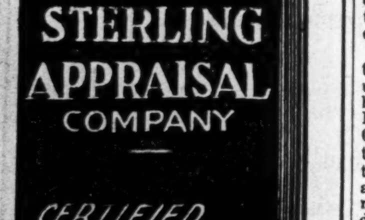
While cement consumption in Canada during 1924 was 17.3 per cent. less than in 1913 the apparent consumption increased 4.3 per cent. above the total of 1923.

Sales of Canadian portland cement in 1924 totalled 7,498,624 barrels valued at $13,298,411 as against 7,543,589 barrels worth $15,064,661 in the previous 12 months.

Moore Interests Acquire Another U.S. Company

A. S. Gilman Printing Co., New York, has been acquired by S. J. Moore and associates, Toronto. They will organize Gilman Fanfold Corp. and will make an offering of $750,000, 7 per cent. cumulative, convertible preferred and $1,000,000 common.

The company manufactures lines allied to American Sales Book Company products. including Fanfold forms for use on billing and bookkeeping machines. The Fanfold process was invented by A. S. Gilman in 1911, and is now used all over the North American continent, Among the customers of the Gilman organization are over 60 railroads, as well as leading manufacturers and prominent merchandising companies, both wholesale and retail. The company's plant is located at Niagara Falls, N. Y., and immediately adjoins the International paper plant there.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COMPANY
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REPORTS

Ontario Steel Products Advance is Unexplained

Ontario Steel Products stock advanced 7½ points to above 53 with a steady demand for the stock coming from a number of sources. There are rumors of all kinds about but none of them seem to bear the stamp of authenticity. One is that there was a merger on foot with a Michigan Co., and another that the stock was to be placed on a 6 per cent. basis. Directors deny the former and in conservative circles the other is considered impossible. The present position and state of business would not justify any such move. The stock has held quite firmly around 44-46 for some considerable time until the past week when the sudden move came. The real explanation is yet to be forthcoming.

PROFITS BRANDRAM-HENDERSON DOWN

Unfortunate State of Business in 1924 Curtailed Company's Earnings

From Our Own Correspondent.

MONTREAL.—The falling off in business during the last half of 1924 very materially affected the business of Brandram-Henderson and the annual report for the year shows considerably reduced net profits. The preferred and common dividends were not earned during the year and, in fact, after making allowance for a special reserve set up for possible losses on doubtful accounts, the company paid the entire amount of preferred dividends out of surplus.

The profit and loss figures for the past three years compare as follows:

	1924	1923	1922
Net profits	$101,826	$144,121	$163,704
Bond Interest .	71,299	63,461	59,581
Bond Discount ..	12,493	......	......
Depreciation . .	7,500	7,500	7,500
Res. for accts...	30,000	.....	.....
Tax prev. year.	9,179	8,621	.....
Balance	$ 28,645*	$64,539	$ 96,623
Pref. dividends	35,000	35,000	35,000
Com. dividends	47,196	47,196	35,397
Surplus	$110,841*	$ 17,657	$ 26,226
Prev. Balance .	836,929	854,586	828,360
Bal. forward ..	$726,088	$836,929	$854,586

*Deficit.

The directors in their report to shareholders draw attention to the fact that during the course of the year there was a notable change in conditions affecting the company's business. In the first half of the year the volume of trade was well maintained and profits were well up to those of the corresponding period of the previous year. During the latter six months, however, business fell off, not only in all departments, but in all sections of the country and general reports showed that during that period business conditions in the Dominion became unusually dull. At the same time the markets for pig lead and flax did not lend themselves to profitable operations and a price war on white lead added to the difficulties that had to be met.

It is pointed out, however, that there is a measure of satisfaction in being able to report that sales have been improving since the beginning of the present year, that there are evidences of improved conditions in the marketing of white lead.

The general statement of assets and liabilities shows total assets of $4,347,227. Of this amount fixed assets are $2,765,271. Total current assets amount to $1,503,265, as against total current liabilities of $498,977. Included in current assets are merchandise $972,374, accounts receivable $452,073, and cash on hand and in bank or trust company $78,817. The principal items comprising current liabilities are loans from bank $307,713, which, however, by February 1st, 1924, had been reduced by approximately $100,000; bills payable $24,783, and accounts payable $107,060.

RAILWAY EARNINGS

Canadian Pacific Railway

Week end.	1925	1924	Change
April 14 ...	$2,745,000	$3,005,000	—$260,000

Canadian National Railways

Week end.	1925	1924	Change
April 14 ...	$3,963,395	$4,472,235	—$508,840
Jan. 1 to Apr. 14	59,469,346	65,598,643	—6,129,297

ATLANTIC SUGAR'S PROFITS DECLINED DURING PAST YEAR

But Capacity Production is Now Assured for Some Months

From Our Own Correspondent.

MONTREAL. — Profits of Atlantic Sugar Refineries for 1924 showed considerable reduction from the figures for 1923 and the amount available to apply towards common stock dividends was equivalent to only 3 per cent. of the common shares outstanding as against 10.8 per cent. in the previous year. The company's financial position was, however, improved during the year and it ended the period with a smaller deficit in its working capital account.

It is understood that at the annual meeting the president will be able to point out that earnings during the current year have been much better than during 1923 and that owing to the low prevailing price of sugar the refinery in St. John is assured of capacity production 24 hours a day until the end of July.

The statement, which is for the fiscal year to December 31, 1924, shows that net profits, after providing for income taxes for 1924 and making an allowance of $88,537 for repairs and maintenance, amounted to $964,103. This compared with $1,459,982 in the previous year.

Earnings for Three Years

Income account for the past three years compares as follows:

	1924	1923	1922
Profits	*$964,103	$1,459,982	$990,564
Deprecn. .. .	304,224	302,618	302,618
Balance	659,879	1,157,364	687,946
Bank int. .. .	384,781	466,522	476,136
Balance	275,098	690,842	211,810
Bond int. . .	47,910	53,910	59,910
Balance	227,188	636,932	151,900
Tax. res.	....	30,000	23,934
Years' surp. .	227,188	696,932	127,966
Prev. Defi. ..	4,486,383	5,094,778	5,188,280
P. & L. def..	4,259,195	4,487,846	5,060,314
% on com. ..	3.0	10.8	1.03

*After deducting tax reserve.

Paying Off Creditors

The directors in their report point out that after retiring first mortgage bonds amounting to $100,000 on July 1, 1924, in accordance with the provisions of the trust deed, and reducing the indebtedness to raw sugar creditors by a payment of $250,000 on December 31, 1924, the year's operations have improved the margin between current liabilities and current assets by over $360,000. Throughout the year the company continued to be a large participant in the export business, the volume of sales being equal to those of the previous year.

Figures showing the company's working capital position as at the close of the past three years compare as follows:

	1924	1923	1923
Curr. assets	$ 812,205	$1,323,961	$1,909,680
Curr. liab.	1,632,264	2,528,293	3,890,904
Work. cap.	*820,059	*1,204,332	*1,981,224

*Current liabilities exceed current assets.

Balance Sheet Deficit Down

The statement indicates the deficit in the balance sheet to be $4,259,195 as against $4,487,847.

The general statement of assets and liabilities shows fixed assets, of $8,949,404. Of this amount, land, buildings, wharves, plant and equipment represented $4,949,404, and franchises, leases and goodwill $3,000,000. Current assets stand at $802,205, as compared with $1,323,861, at the end of the previous year. Included in them are cash in banks and on hand $74,467; accounts and bills receivable $86,709; investments $139,825, and inventories $511,202, as against $931,228. Among the liabilities are loans secured by inventories and by hypothecation of $3,000,000 6 per cent. second mortgage bonds, due December, 1930, and other collateral $1,350,000, down from $2,250,000 a year ago; accounts payable and accrued charges $242,264, as against $257,889, and accounts payable deferred, with interest accrued thereon to December 31, 1924, $4,123,132, less payments of $450,000, leaving a balance of $3,673,132, as compared with $3,725,190 reported at the end of the previous year. Total reserves amount to $1,873,895, as against $1,574,791. Of this amount reserve for debts stands at $40,000, while depreciation and contingencies amount to $1,833,895, up from $1,529,387.

GOODWIN'S

The amount available for distribution to holders of common stock of Goodwin's, Limited, has been finally determined at $72.50 per share. A circular letter under date of April 20th, has been sent to shareholders stating that the deed of sale to the T. Eaton Co., Ltd., has now been executed and the transfer made, and the company is now in a position to make a distribution to the shareholders.

CONSUMERS GAS

Dickson, Jolliffe & Co., Watson Wallace & Co., who were successful tenderers on the recent sale of unalloted shares of Consumers Gas, are now offering these shares to the public "at the market." The company has 143,000 customers and the funds from the sale of $2,000,000 of stock are to be utilized by the company to provide for the extension of distributing facilities and for the construction of a modern gas and coking plant, with a productive capacity of 10,000 tons of coke monthly and a daily capacity of 5,000,000 cubic feet of gas.

ACADIA SUGAR REFINING

At the 32nd annual meeting of the Acadia Sugar Refining Company held in Halifax, the following report for 1924 was presented by E. J. Longard, chairman of the company's board of directors:

"Including $63,154.00 brought forward from last year the profits from operations amounted to $682,058.65. From this sum we have paid interest on floating debt, $150,732.91, interest on funded debt $122,686.33, and have also provided for depreciation and adjustment on plant, $335,380.58, directors' remuneration $7,300 and $3,167.48 adjustment of prior years taxes, leaving a balance at credit of profit and loss account of $62,791.35 to be carried forward. The company's current position during the last two years shows an improvement of approximately $500,000. In addition, during this period $200,000 of the company's bonds have been retired."

Shareholder Sues for Look at Company List

From Our Own Correspondent.

MONTREAL.—That shareholders are entitled to have access to the shareholders' list of the company at will is something that is little understood by most investors. On the whole, companies are very reticent about giving out to their shareholders lists because they have been used so much for circulation of stock promotion literature of questionable character.

During the present week action was taken against one of the companies listed on the Montreal Stock Exchange by a shareholder who claims damages for loss of time, etc., occasioned by the refusal of the company to let him see the complete shareholders' list. It is not definite yet whether the action will be fought to a finish of settled out of court.

DOMINION STORES

Since the turn of the year it is reported that Dominion Stores' sales have exceeded $1,000,000 monthly. This has been expected. The company wound up 1924 with a total of $10,348,000 and this year the company has many new and profitable stores in operation.

CANADIAN WESTERN LUMBER

The February statement of the Canadian Western Lumber Co., shows that during the month the company manufactured 7,277,500 feet of lumber and sold 6,540,829 feet, for which $163,192 was realized. This compares with lumber manufactured amounting to 7,947,885 feet, lumber sold 10,314,708 feet, and the price realized $286,738 for the same month in 1924. The aggregate sales for the first two months of the year amounting to 15,079,044 feet, realized $369,387, as compared with 19,835,439 feet realizing $554,425 a year ago.

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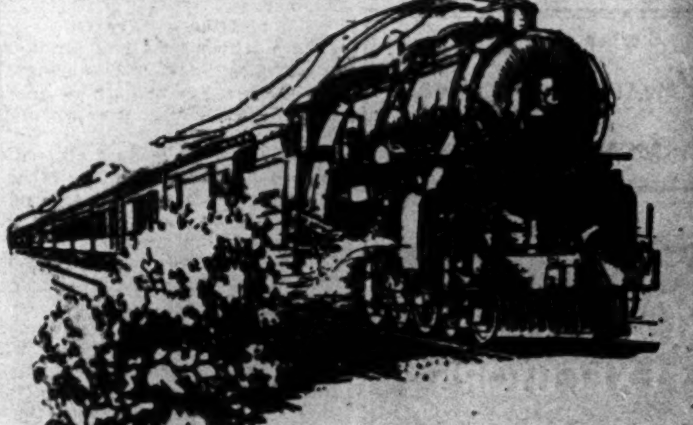

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Textiles

OPPOSE PRISON LABOR TAKING WORKERS' JOBS

Manufacturers Suggest Employment on Products Imported

Objecting to the proposal for the use of prison labor in industry which competes directly with Canadian workmen, R. P. Sparks, president of the Canadian Association of Garment Manufacturers, has written the following letter to the minister of justice:

Canadian Association Garment Manufacturers,
Ottawa, April 13, 1925.
Hon. Ernest Lapointe,
Minister of Justice,
Dear Sir:

I have read with considerable interest the debate in the House of Commons on a resolution introduced by Miss Agnes Macphail, M.P., which reads as follows:

"That, in the opinion of this House, it is desirable in the administration of penitentiaries to provide: (1) Sufficient productive work to keep the inmates employed. (2) That a share of the proceeds go to provide for dependents and in case of no dependents such share shall be held in trust until release."

As the resolution was supported by you we presume that your department will embody the principle of it in your future policy.

With the general principle as laid down, I think, most intelligent people will agree. There is, however, one phase of the question which appears to me to have been entirely overlooked in the discussion in the House and in reference to which I am taking the liberty of writing you on behalf of this association, and that was the failure to appreciate the true economic effect of the employment of prisoners at certain classes of productive labor.

We beg to submit that as a general principle, in so far as possible, prisoners should be employed upon the production of such commodities as are ordinarily produced in countries outside of Canada and subsequently imported into Canada. We note that one of the principal employments of prisoners at the present time is the production of clothing for police and other public officers and the making and repairing of mail bags. Clothing appears to be one of the commodities to which those interested in productive labor in prisons turn for employment for prisoners.

In this regard I beg to point out that the clothing industry in this country is equipped to produce all clothing of all classes required by the people of Canada, and that all clothing made in prisons, whether for the use of governments or otherwise, reduces employment of free labor in Canada.

On the other hand, if prisoners were put to work on such goods as are usually imported, foreign labor would be displaced instead of Canadian labor. To illustrate this point I might call your attention to the fact that probably the most successful undertaking utilizing prison labor is in operation at the Michigan State Prison at Jackson, Michigan, where binder twine is produced. At that institution four hundred and ninety-six prisoners produced binder twine to the value of $1,506,925.00 during 1923. We note from statistics that approximately fifty million pounds per annum of binder twine is imported into Canada. If this were produced in the prisons it would not displace any Canadian labor. There are, no doubt, other commodities which are now imported which could be produced by prison labor. We are not specially urging the production of binder twine, but merely mention this as a concrete example.

I might also point out that in the clothing industry efficiency is the result of years of training. It would appear desirable that prison production should be confined to such industries as require simple processes in which efficiency is easily acquired.

It is a sound principle of economics that the wealth of a nation will be largely determined by the extent to which that nation can employ its own people in productive labor. In the final analysis there is no gain in wealth to the state by taking employment from free labor and utilizing convict labor. On the other hand there is a clear economic gain if convicts can be put to work in producing commodities which had previously been produced by foreign labor. While the system of taking work from free labor for the purpose of giving work to convicts may be sound from the humanitarian standpoint, it cannot be defended from the standpoint of sound economics.

I would like to make it perfectly clear that we are not in any way objecting to the employment of prisoners in productive labor, but submit that the question should be approached with a view to producing commodities which would ordinarily be imported, rather than commodities which can and are being produced in Canada.

Yours truly,
R. F. SPARKS.

Some Improvement in Demand, Says Dawson

From Our Own Correspondent.

MONTREAL.—"For the first three months of 1925, business for our company has shown an improvement over the preceding year," declared A. O. Dawson, vice-president of Canadian Cottons, to THE FINANCIAL POST. Although the company are experiencing an improved demand for their product which consists of yarn dyed cottons, yet this improvement must not be construed as having any great effect in the annual report of the company, which will be published about the middle of May covering the period up to March 31, for in common with all the textile trade, Canadian Cottons have been handicapped during most of the period covered by the report, by the poor demand which has existed for all types of textiles.

Earnings for the company during the past year can only be forecast at the present time, but from all indications it would seem that earnings will be in the neighborhood of those shown during the preceding year.

Dominion Textile Sales Are Showing Increase

From Our Own Correspondent

MONTREAL.—The Dominion Textile Co. have, during the first three months of this year, experienced better business. Better business in connection with the textile trade does not necessarily mean larger profits, coming as it does in this period when all the companies have been working hard to make a profit on their sales, yet the fact remains that most of the companies report an increased demand and increased orders for the first three months of this year.

Should orders continue at present levels the outlook for the textile companies would be somewhat brighter, but at the moment, the future seems clouded for there is no indication that buying will not continue its hand-to-mouth course of the last few years. Toronto wholesalers report that business in textiles is very quiet, whilst in this city wholesalers are more optimistic, due to an improved demand for this line.

WOOLLEN MILL SALES

The woollen mill at Perth of Boyd, Caldwell and Co., has been sold to Arthur Moore, Huddersfield, Yorkshire, who will operate it under the name of Tayside Textiles, Ltd. The mill was established at Lanark in 1867 and moved to Perth in 1917, after the destruction of its buildings at Lanark by fire.

Trying to Learn Position of Cream Separator Co.

Shareholders of Petrie Cream Separator Co. are trying to find out their position now that the head of the concern, C. M. Petrie, has disappeared, following his arrest and on being granted bail. He had been taken into custody on charges arising out of the promotion of the company. The shareholders met recently but found their first difficulty was to get the books; they raised $120 to pay the auditor and get their release. They are now being studied. Some shareholders are said to have invested $10,000 to $15,000 in the venture.

Mrs. Agnes Petrie, wife of Chas. Petrie, who promoted Petrie Cream Separator, and later disappeared while on bail on charges arising out of handling the affairs of the company, has been arrested on a charge of conspiracy arising out of the same affair. Petrie was arrested in March following the failure of the company and was taken to Guelph to face a charge of fraud. It is estimated that $150,000 in stock was sold.

Selling Stock on Strength of Job is Becoming Common

Promotors who capitalize the unemployed situation to sell stock on the basis that it will provide the purchaser with a job, have been quite numerous of late. Recently complaints have been heard of an auto concern, later a machinery plant and the latest is a candy proposition. In this case, William Barker, Toronto, has been arrested on a charge of obtaining $200 by fraud. He is alleged to have advertised for salesmen, offering a salary of $20 a week on condition that they invested $200 in the company stock. The complainant says he worked a week and was then discharged.

BROKERAGE HOUSE CLOSES

Canadian Minerals Finance, a Toronto brokerage house, which financed Porcupine Grande Mines and was handling Porcupine-Kirkland has closed its doors. Assets are valued at $11,219 and liabilities are $27,459.

UNLISTED SECURITIES

Industrials, Utilities, Etc.—	Bid	Asked
Anglin Norcross	60	..
Brooks Steamer (1 pref, 2 com)	6	8
Can. Machinery, com	3	5
Can. Machinery, pref	13½	17
Canadian Oil, pref	94	96
Can. Westinghouse, com	148	152
Cockshutt Plow, pref	28	30
Cosgrave Brew	6	7
Dryden Paper	3	..
Dom. Comb. Mill (1 pref, 2 com)	30	38
Dom. Power, pref	98	99½
Durant (A)	5½	6½
Durant (B)	6½	7½
Durant (C)	8	9
English Electric, pref	34	37
Illinois Power, pref	94	96
Famous Players, com	13	15
Gunns, Ltd., pref	35	37½
Imperial Tobacco	6½	7½
King Edward Hotel Deb. A	67	70
King Edward Hotel Deb. B	45	49
K.& S. Tire, pref	9	11
Loew's Toronto, com	28	31
Loew's London, com	1	1½
Loew's Ottawa, pref	17	20
Massey-Harris	44½	47
Mount Royal Hotel, com	3	4
Mount Royal Hotel, pref	25	27
North Mexico Power, com	32	34
Manitoba Power, com	18	20
Rickenbacker Motors	4	5
Simpson, Robt., pref	98	99
Paton Mfg., com	—	50
United Securities, pref	101½	103
Western Grocers, pref	29	32
Loans and Insurance—		
Capital Life	21	24
Chartered Trust	78	90
Continental Life	29	32
London Loan	45	..
Manufacturers Life	60	64
Mortgage Discount, pref	6½	7½
Monarch Life, 10% paid	16	18
Peoples Loan	75	81
Sovereign Life	21	24
Western Assurance	7	8

NATIONAL BRICK

The annual meeting of National Brick Company of Laprairie was routine in character, the annual report being adopted and the directors re-elected for the ensuing year. In reply to a question from a shareholder respecting arrears of dividends on preferred stock, which now amount to 24 per cent., Hon. C. C. Ballantyne, president of the company, stated that the matter of liquidating dividend arrears had not been taken up by the board and he felt that it would be some time before action in this direction would be taken.

He thought it might be better to wait for such action and he considered that in resuming regular dividend disbursements the company was doing very well, especially in view of something of a business depression with the plants operating at only about 60 per cent. of capacity.

STOCK MOVEMENTS OF THE WEEK

WEEK ENDING APRIL 21

	Div. Rate	Yield April 20	High for wk.	Low for wk.	Close April 21	Close April 14	Sales for wk.	Range 1925 High	Range 1925 Low
Banks—									
Commerce	12	6.06	198½	198	198½	198	119	210	194½
Dominion	12+1	6.65	195	194	195	194	58	200½	189
Can. National	10	6.66	150½	150½	150½	150	5	151	148
Imperial	12	6.52	185	184	184	187½	14	193	184
Montreal	12	4.91	244½	244	244½	245	151	250	244
Nova Scotia	16	5.82	263	262½	263	263	61	268	262
Royal	12	5.10	235½	234½	235	235½	83	237	227½
Standard	12	6.93	173	171	173	..	41	173½	170
Toronto	12	6.09	197	197	197	198	440	221	192½
Union	8	7.20	111½	110½	111½	112	24	114½	105
Paper—									
Abitibi, com.	4	6.25	65½	63	63½	66½	302	67	62
Do. pref.	7	6.52	—	—	—	—	—	107½	101
Brompton Pulp	.	....	24½	23½	23½	25½	330	33½	21
Laurentide	6	7.31	82½	81	81	82½	222	96½	80
Price Bros.	2	5.19	39	35½	38½	38½	207	40½	35½
Prov. Paper com.	6	6.31	..	..	..	..	..	97½	88½
Do. pref.	7	6.93	101	101	101	100	10	101	95
Smith, Howard, com.	.	....	..	..	..	..	..	31	21½
Do. pref.	8	9.63	83	80	81	83	120	89½	69½
Spanish River, com.	7	6.60	107	106	106	108	550	111½	87
Do. pref.	7	5.88	119	119	119	119	160	127	112½
St. Maurice Paper	6	7.14	..	..	..	..	..	85½	83
Wayagamack	.	....	48½	47	47	47	70	52	34½
Steel and Steel Industries—									
B.E. Steel, com.	.	....	2½	2	2	2½	464	3½	2
Do. 1st pref.	.	....	29½	29½	29½	28½	5	34	25½
Do. 2nd pref.	.	....	9	8¾	9	9	255	11½	8
Can. Car & Found., com.	.	....	45¾	44½	45	45	125	57½	44½
Do. pref.	7	8.53	82	81½	82	83	200	90½	81½
Can. Found., com.	.	....	..	..	..	..	..	20	20
Do. pref.	.	....	..	..	..	..	..	50	45
Canada Iron, com.	.	....	8	8	8	..	1	8	8
Do. pref.	.	....	35	35	35	..	1	35	35
Can. Locomotive, com.	.	....	..	..	..	..	..	72	64
Do. pref.	7	8.75	80	80	80	..	7	90	80
Dominion Coal	.	....	40	40	40	..	20	50	40
Dominion Iron, pref.	.	....	..	..	..	..	..	28	25
Dominion Radiator	7	6.96	..	..	..	..	..	102½	100½
Dominion Bridge	4	4.34	92	91½	92	93	131	93	77½
Dom. Steel Corp., pref	.	....	26	26	26	26	24	37	25
N.S. Steel, com.	.	....	..	..	..	..	..	13	9½
Do. pref.	.	....	..	..	..	..	..	32	32
Ontario Steel, com.	4	7.44	53½	47	52½	47½	1493	53½	43
Do. pref.	7	7.60	95	95	95	—	25	95	91½
Steel of Canada, com.	7	8.33	84½	83½	83½	84½	368	89	80
Do. pref.	7	6.51	107½	107½	107½	108	263	112	105
Milling—									
Canada Bread, com.	4	3.98	100½	100½	100½	—	5	125	98½
Do. pref.	7	6.96	100½	100½	100½	100½	15	105	100
Inter. Milling, pref.	7	7.17	98½	97½	97½	98½	50	102	97½
Lake of Woods, com.	12	6.59	182	182	182	182	8	188	180
Do. pref.	7	5.57	..	..	..	..	..	125½	121
Maple Leaf, com.	.	....	90	86	88	91½	104	100	80
Do. pref.	7	7.21	97	96	97	97½	67	101	96
Ogilvie Flour, com.	3½	2.92	137	136	137	138	10	150	131½
Do. pref.	7	5.55	126	126	126	..	15	136	121
St. Lawrence Flour	4	....	34	27	28	32	380	65	27
Do. pref.	.	....	..	..	..	..	..	136	121
Western Can. Flour	8	7.40	..	..	..	..	..	111	107
Utilities—									
Bell Telephone	8	5.90	136	134½	135	136	647	138½	133
Consumers Gas	10	5.88	171	166½	171	166½	559	171	164
Dom. Telegraph	6	6.00	..	..	..	..	..	50	38½
Kaministiquia	8	7.80	..	..	..	..	..	125	100
Mackay, com.	7	5.99	116½	115½	116½	115½	186	117½	114½
Do. pref.	4	5.86	68½	68	68½	68	175	69½	67
Mexican Light, com.	.	....	24	24	24	..	50	24½	22
Do. pref.	.	....	59	59	59	..	150	62½	57
Mont. L. H. & Pr. Cons.	8	4.46	179½	177½	177½	180	1662	180	152
Montreal Telegraph	8	7.03	..	..	..	..	..	55	45
Ottawa L. H. & Pr.	6	6.12	..	..	..	..	..	105	98
Do. pref.	6½	6.25	102	102	102	104½	10	105½	102
So. Can. Power, com.	1.00	....	84	77	80½	75	725	84	67
Quebec Power, com.	5	5.43	[illegible]	89½	92½	89½	944	94	85
Do. pref.	7	6.60	106	[illegible]	106	105	16	106	103½
Shawinigan	7	5.09	138	137	[illegible]	[illegible]	203	138½	103½
Laurentide Power	.	....	95	94½	94½	..	[illegible]	[illegible]	94½
Transportation—									
Can. Pacific Railway	10	6.89	145	143½	144	148½	142	152½	138½
Canada Steamships, com.	.	....	12½	12	12½	12½	922	13½	10
Do. pref.	.	....	44½	43½	44½	44½	925	50	42
Tractions—									
Barcelona	.	....	19	19	19	..	50	23	18½
Brasilian	4	7.88	52½	49½	52½	50½	9494	57½	49½
Detroit Un. Rly.	.	....	8½	8	8	8	562	29	8
Duluth-Superior	.	....	40	39½	39½	39	265	42	35
Illinois Traction, pref.	6	6.52	..	..	..	..	..	93½	92
Montreal Trams	10	6.17	164	160	162	161	21	173	160
Ottawa Traction	4+1	7.93	..	..	..	..	..	68½	62
Porto Rico Rly., com.	.	....	39	39	39	40	216	42	35½
Do. pref.	7	7.82	89	89	89	89½	34	91½	84
Quebec Rly.	.	....	..	..	..	..	..	22	20
Twin City, com.	4.00	6.34	65	62½	63½	64½	941	67½	58
Do. pref.	7	7.21	..	..	..	..	..	97	94½
Winnipeg Elec., com.	1	....	44½	40½	43½	41½	4026	48½	35½
Do. pref.	7	7.36	96	95	95	95	166	98	88
Textiles—									
Can. Conn. Cotton, pref.	1	....	41½	41	41½	41½	25	50	40
Can. Converters	7	8.64	81	80½	81	81	160	87	80
Can. Cotton, com.	8	7.40	108	108	108	..	40	112	106
Do. pref.	6	6.45	93½	92	93	93	23	93½	90
Can. Woolens, com.	.	....	..	..	..	..	..	14½	5
Do. pref.	.	....	50½	50½	50½	50	28	50½	45
Dom. Textile, com.	4.00	5.61	72	71	71½	71½	768	90	66
Do. pref.	7	6.08	115	115	115	115	4	116	111
Monarch Knitting, com.	.	....	..	..	..	..	..	30	30
Do. pref.	.	....	..	..	..	..	..	80	65
Montreal Cotton, com.	6	6.12	..	..	..	..	..	99	95
Do. pref.	7	6.16	..	..	..	..	..	121	109
Penmans, com.	8	5.40	149	149	149	148	10	156	144
Do. pref.	6	6.00	100	100	109	..	12	101	100
Wabasso Cotton	4.00	7.11	56½	56½	56½	..	10	60	56
General Industrials—									
Amer. Salesbook, com.	4.00	10.39	38½	38	38½	39	23	43½	38
Do. pref.	7	7.75	90½	90	90½	92	62	93	90
Asbestos, com.	2	....	65	65	65	65	149	70	35
Do. pref.	6	6.54	92½	91½	91½	92	558	96	78½
Atlantic Sugar, com.	.	....	32	29½	31½	29½	8835	37½	13
Do. pref.	.	....	74	71	73	71½	815	82	40
Bird & Son, pref.	7	8.43	..	..	..	..	..	88	80½
B.C. Fishing	.	....	32½	31	32	32½	1260	34½	19
Burt, F. N., com.	10	5.49	182	180	181	183	49	190½	140
Do. pref.	7	3.82	..	..	..	..	..	155	142½
Canada Cement, com.	6	5.83	103½	102½	103	104½	260	110½	90½
Do. pref.	7	6.12	114½	113	114	114	69	115½	107
Cons. Rubber, pref	.	....	..	..	..	..	..	90	86
Can. Gen. Electric, com	.	....	..	..	..	..	..	58	54
Do. pref.	7	6.83	52½	52	52½	52½	567	55	52
Can. Indust. Alcohol	1.28	6.92	17	16	17	17	1250	20½	15½
Canada Salt	8	6.95	118	118	118	118	5	118	112
Carr. Factories, com.	.	....	..	..	..	..	..	2½	1
City Dairy, com.	12	3.75	80½	80½	80½	81	143	87½	65
Do. pref.	7	6.60	..	..	..	..	..	110	105
Crows Nest Coal	6	12.76	..	..	..	46	..	41½	35
Cuban Can Sugar, com.	.	....	6½	6½	6½	7½	35	10	6½
Do. pref.	.	....	37½	37½	37½	40	10	44	35
Dom. Canners, com.	.	....	109½	115	108	105	2735	109½	56½
Do. pref.	7	7.00	101	99½	100	100	77	101	94
Dominion Glass, com.	7	6.32	110½	110	110	110½	60	116½	108½
Do. pref.	7	6.25	112	112	112	..	70	112	110½
Dominion Stores, com.	1.00	....	33½	33½	33½	34	11	34	28½
Do. pref.	8	8.00	100½	99	100½	100	34	100½	71½
Davies, Wm. (A)	.	....	28	27	27	28½	45	32	24
Eastern Theatres, com.	.	....	14	14	14	..	41	15	14
Do. pref.	7	9.21	..	..	..	..	..	76	73½
Ford Motor	10	....	..	..	..	..	..	512	512
Goodwins, com.	.	....	..	..	..	..	..	50	50
Do. pref.	.	....	..	..	..	..	..	80	75
Goodyear Tire, pref.	7	7.52	93	92½	93	93	121	100½	90
Gould Mfg., com.	.	....	..	..	..	..	..	90	90
Holt, Renfrew, new	.	....	..	..	..	..	..	24	20
King Ed. Hotel	.	....	..	..	..	..	..	27	20
Lyall Construction	.	....	21	20	20	21	15	26½	11
Macdonald, A.	.	....	..	..	..	..	..	11½	4½
National Brew., com.	4.00	8.04	51½	41½	51½	50½	14170	68	41½
Do. pref.	7	7.07	99	99	99	101	100	106½	98
Pacific Burt, com.	6	6.38	..	..	..	..	..	96	94
Do. pref.	7	6.60	..	..	..	..	..	107	103
Port Hope Sanitary, com	.	....	..	..	..	..	..	60	53
Do. pref.	7	7.77	90	90	90	..	6	91	88½
Rogers, Wm. A., com.	.	....	..	..	..	..	..	65	59½
Do. pref.	7	7.95	88	88	88	..	15	95	88
Russell Motor, com.	.	....	34	33½	34	..	125	34	24
Do. pref.	7	8.14	86	86	86	..	10	86	74½
Sawyer-Massey, pref.	.	....	..	..	..	..	..	12	5
Sherwin-Williams, com	6	4.61	130	130	130	128	15	130	115
Do. pref.	7	6.36	110	109½	110	109	25	110	104½
Sterling Coal	4	8.33	48	47½	48	49	100	53	47½
Tooke Bros., pref.	.	....	..	..	..	..	..	46½	37
Tuckett Tobacco, com.	4	6.45	62	62	62	..	220	70	59
Do. pref.	7	7.10	98½	79	98	97	63	102½	79
Woods Mfg., com.	.	....	35	35	35	..	10	49	20
Do. pref.	7	9.55	..	..	..	..	..	88	70
Pure Gold	50c	....	24	24	24	..	25	25½	23½
National Brick, com.	.	....	18	18	18	..	25	18	18
Do. pref.	7	9.21	77	76	76	76	10	79½	76
Trust and Loan—									
Canada Landed	10	5.68	88	87	88	87	79	88	80
Can. Permanent	12	6.06	199	197	198	..	26	200	190
Colonial Invest.	6	....	..	..	..	..	..	4	4
Hamilton Prov.	10	6.45	..	..	..	..	..	156	154
Huron & Erie	7	5.60	..	..	..	..	..	125	125
Landed Banking	9	6.33	..	..	..	..	..	142	142
Montreal Loan	12+1	7.21	..	..	..	..	..	45	45
National Trust	12	5.40	..	..	..	..	..	233	210
Ontario Loan	11	5.55	..	..	..	..	..	100	99
Real Estate Loan	7	8.04	..	..	..	..	..	88½	87
Toronto Gen. Trusts	12	5.74	209	208	209	208	24	212	208
Toronto Mortgage	10+1	5.93	92	92	92	..	9	92	90
Union Trust	7	8.23	..	..	..	..	..	80½	80½

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THE CANADIAN CONVERTERS' COMPANY, LIMITED

DIVIDEND NOTICE

Notice is hereby given that a Dividend of One and Three-Quarters (1¾%) Per Cent. has been declared on the Capital Stock of this Company, for the quarter ending April 30th, 1925, payable 15th May, 1925, to Shareholders of record at the close of business, April 30th, 1925.

By Order of the Board.

THOS. M. BARRINGTON,
Secretary-Treasurer.

Montreal, 22nd April, 1925.

The Bank of Toronto

Dividend No. 175

Notice is hereby given that a Dividend of Three Per Cent. for the current quarter, being at the rate of Twelve Per Cent. per annum upon the Paid-Up Capital Stock of the Bank, has this day been declared, and that the same will be payable at the Bank and its branches on and after the FIRST day of June next to Shareholders of record at the close of business on the 15th day of May, 1925.

By Order of the Board.

JOHN R. LAMB,
General Manager.

The Bank of Toronto, Toronto,
April 22nd, 1925.

Dominion Textile Company
LIMITED

Manufacturers of
COTTON FABRIC

MONTREAL TORONTO WINNIPEG

The Wabasso Cotton
Company, Limited

THREE RIVERS, P. Q.

Manufacturers of Fine White Cotton,
also Spinner's Fine Counts of Yarns

DOMINION BRIDGE CO.
LIMITED
Montreal, P.Q.

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SEAMAN KENT COMPANY LIMITED
Largest Producers of Hardwood Flooring in the British Empire
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Factories: Meaford West Lorne and Renfrew Ont
Warehouses: Toronto. Montreal. Winnipeg and Edmonton

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Tents
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Cotton Fabrics

FACTORIES AT
MONTREAL, TORONTO, OTTAWA
WINNIPEG, WELLAND

HEAD OFFICE:
MONTREAL

Pulp and Paper

WAYAGAMACK'S NEW FINANCING PAYS FOR NEWS PLANT

Bond Issue for Newsprint Mill is Offered—Save on Overhead

From Our Own Correspondent.

MONTREAL.—The financing of the new paper mill of the Wayagamack Pulp and Paper Company has been on the tapis for some months, and the new bond issue finally made its appearance this week. Rene T. Leclerc, Inc., together with Matthews & Company, and Geoffrion & Company, offered $1,500,000 of general mortgage and collateral trust gold bonds. The bonds are 6's, due in 1930, and were offered at 99.50 to yield 6.60 per cent. The preliminary offering indicated that the public offering would have a good reception.

The proceeds of the issue, as is now well known, will be utilized to erect a newsprint paper mill, thus adding this additional line to the company's present production, which consists of kraft and wrapping papers in addition to wood pulp, most of which is used in the company's own output of paper. The new mill is being built by a subsidiary company called Wayagamack News, but this is for convenience of financing only, as the subsidiary will be entirely owned by Wayagamack Pulp and Paper Company and will advance $1,500,000 of general mortgage bonds to the parent company to be deposited as collateral against the issue now being made. Thus the security for the present issue will consist of all the assets of both companies with the exception of $4,425,000 of Wayagamack Pulp and Paper firsts now outstanding and £425,000 of Wayagamack News firsts issued under the British Trade Facilities Act.

The new mill will have a daily output of 200 tons a day of newsprint, and of something less than that of groundwood pulp, the balance of pulp required evidently coming from the present Wayagamack plant.

Cutting Down Overhead

By giving Wayagamack this more diversified output it is hoped to create more stable earning power and also to increase earning power without a commensurate increase in expenses. There will be a substantial saving in overhead especially, and it is reckoned that about $200,000 of overhead expense now carried by Wayagamack's kraft mills will be absorbed by the new unit, making for higher net profits.

It will be of interest to shareholders of Wayagamack as well as to prospective purchasers of the new bonds to note the estimate of future earnings made by the syndicate president, C. R. Whitehead, in offering the bond issue. They do not hesitate to forecast that Wayagamack will double its earning power. His letter in connection with the bond issue states:

"The average earnings for the last seven years, available for bond interest, sinking fund, depreciation, depletion and war tax, have been 900,298. It is estimated that on account of the larger tonnage over which the overhead charges will be distributed in the future this amount of $900,298 will be increased by $208,680 to $1,108,978. Based on an estimated market price for newsprint of $70 per ton, the earnings of the new mill available for bond interest, sinking fund, depreciation, depletion and war tax, amount to $1,146,316, which, added to the earnings from the kraft mill, form a sum of $2,255,294.

"These net earnings of $2,255,294 would represent a net surplus of $90,238 after payment."

INTERNATIONAL PAPER EXPANDS IN PROFITS

Company Has Never Paid Common Dividend in Its Twenty-Five Years

From Our Own Correspondent.

MONTREAL.—Canada has numerous examples of gigantic industrial and public utility enterprises that have been erected by men who combined caution with vision; men who have built their companies from within and have re-invested earnings in new plant and equipment as an alternative to a policy of paying earnings out in dividends and then issuing bonds to raise capital to force growth. Such are Montreal "Power," Shawinigan "Power," Canada Cement Company, Dominion Textile, Penman's. There are many others but these are good examples of companies that have put themselves in strong positions in order to be able to spend their own money rather than borrowed money on larger projects.

Canadians have seen a recent example of expansion out of earnings in the case of the International Paper Company. This company has been able to shift the balance of its paper production from the United States to Canada and to do it with little new financing. It had put itself in such an invulnerable position that it could change the whole basis of its business without visibly losing in financial strength. It went to the extreme to do it. In the twenty-five years it has been in business International Paper has never paid a common dividend.

Upon completion of the recent financing the International Paper Company had outstanding $48,923,744 of funded debt, primarily in bonds that do not mature until 1947 and 1955. Then there is stock outstanding in an amount somewhat in excess of the bonds, or of $55,369,950.

Roughly speaking, the stock is about half in common and half in preferred shares.

The book value of the capital assets of the International Paper Company and its wholly owned subsidiaries is in excess of $96,000,000, but perhaps that figure does not give any adequate picture of values underlying the securities for two reasons:

(1) The real value is well above the book value and (2) the best test of the position of the securities lies in the company's earning's ability.

That no dividends have been paid to the common stockholders does not mean earnings have all been consumed in the discharge of fixed obligations.

It means, in part, that this large industrial organization has played a far-sighted game, if such it can be called, the directors preferring to plow surplus funds back into the property until the problems that were confronting the industry had been solved.

Indeed, earnings, after liberal allowance for maintenance, have averaged enough to cover 3.5 times annual interest requirements on the $48,923,744 of funded debt presently to be outstanding.

The amount actually put back into the property has been even greater than this comparison might indicate for up to this time the company has had to pay interest on bonds totalling substantially less than presently will be outstanding.

MERGER TO COMPETE WITH INTERNATIONAL

Position of International as Leader of Producers May Now be Contested

From Our Own Correspondent.

NEW YORK.—Sir Herbert Holt's acknowledgment that negotiations were under way between the Abitibi Power and Paper Company and the Spanish River Pulp and Paper Company with a view to merging the two companies, confirms a story which has been circulating in paper trade for months past. Thus to the better informed members of the trade it was not news; it merely served to confirm more or less officially what many of the better informed members of the trade had felt for months past was a more or less inevitable development. It also served to convince a number of students of the situation in the pulp and paper industry the merger's eventual consummation was only a matter of time; that so reticent a banker as Sir Herbert would not have said what he did had there been any danger of negotiations being broken off by reason of untimely publicity.

At the moment private comment in the paper industry appears to centre around the probability that a merger of the two big Canadian paper manufacturing concerns will bring about some new alignment of the more important forces within the newsprint manufacturing industry of the continent. If the merger is consummated it will place the merged companies in a position to question the supremacy of the International Paper Company as the leading newsprint producer on the continent, at least until the International completes its recently adopted Canadian program of expansion.

The question many students of the pulp and paper industry are asking themselves at the moment might be worded thus; with the merging of the Riordon Co., and the International and the probable merging of Abitibi and Spanish River, how far is the tendency toward mergers to go?

Straw Pulp Proposal for Winnipeg Still Considered

WINNIPEG.—Promoters state there is every prospect of a 50-ton mill being established in Manitoba in the near future, to make pulp out of straw. Such pulp is not used for newsprint, but for the manufacture of high-grade paper only, and the promoters state that the total output of the mill of 50 tons per day can be disposed of to Canadian manufacturers and by-products in the shape of liquid chlorine or bleaching powder, will also find a ready market.

NOTHING FOR AMES HOLDEN'S SHARES

Winding Up of Old Company Will Leave Something for the Bond Holders

From Our Own Correspondent.

MONTREAL.—One of the oldest boot and shoe manufacturing concerns in Canada will disappear from the Canadian business map when Ames Holden McCready Company is wound up. Officials of the company this week denied that definite steps were being taken to close the company's affairs, but it is learned from indisputable sources that the action will be taken and that Ames Holden will soon be nothing but a memory. Some time ago the one time subsidiary of the shoe company, the Ames Holden Tire Company, was sold out to the Goodrich tire people.

Various causes have acted to make it impossible for the company to continue on a basis of profitable operations, of which the chief is the fact that Canada has a much larger producing capacity in boots and shoes than its consuming capacity. There has been a greater production in Canadian factories alone than the country could absorb, while the situation has been further complicated by large importations of shoes from other countries. The shoe industry has therefore suffered from the sins of its past over-expansion, from the lack of growth in the country's population and purchasing power and from foreign competition.

The original shareholders of the company were just about wiped out in the reorganization of a few years back and it is practically certain that the present preferred and common shareholders, who acquired their holdings chiefly in exchange for giving up second mortgage and trade claims against the company, will now get nothing for their holdings. The trade creditors at the present time will be looked after, it is understood. The first mortgage bondholders will get more than they expect is all that officials of the company will vouchsafe. Recently the bonds have been selling at around 38 to 42, but since bond interest was passed in March it has not been possible to get any bids. It is not yet definite whether the final distribution to first mortgage bondholders can amount to this figure.

The statement of D. Lorne McGibbon, president of the company, to the press this week, was less definite regarding the reorganization than the foregoing information obtained from reliable sources.

He stated that no definite decision had as yet been arrived at and that action of any drastic nature toward liquidation or reorganization would not be taken until the situation and prospects of improvement in conditions were studied from every viewpoint. He added that the company, since reorganization, has drastically cut down operating expenses, but is still showing losses.

Mr. McGibbon said that the liabilities of the company are at a minimum. That, in his opinion, in the event of liquidation taking place, the stockholders would realize little, if anything, but that all of the creditors should make little, if any, loss. Regarding the situation of the bondholders, when creditors are disposed of, he said, will probably be better than is anticipated by many.

CONTROL ALL STOCK SALES

Attorney generals of the prairies are going to ask Ottawa to place a "Dominion Sale of Shares" measure on the Federal Statutes, giving provinces authority to deal with all companies selling stock whether operating under a federal or provincial charter.

The Laurentide Company
Limited

Manufacturers of
Ground Wood - Sulphite Pulp
Wood Boards and Newsprint Paper

GRAND'MERE - QUEBEC

Belgo-Canadian Paper Company
Limited

Manufacturers of
Groundwood, Sulphite Pulp and
Newsprint Paper

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SHAWINIGAN FALLS, QUE.

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ROLLAND'S UTILITY SHEET

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The Great West Permanent
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SECURITY
Paid-up Capital $2,414,663.00
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Public Utilities

JAMAICA POWER POPULAR PROJECT IN FOREIGN FIELD

An Outside Undertaking in Which Canadians Have Invested

MONTREAL.—Canadians have gone far afield in the investment of their money and there is much Canadian capital in Brazil, Mexico, the West Indies, Spain, Central America and in some other countries. No outside investments made by Canadians have proven more consistently capable of steady expansions and profitable operation than the investment in the tramway and power system of Kingston, Jamaica, that was for many years operated under the name of the West Indies Electric Co., but which has more recently been controlled by a new group under the name of the Jamaica Public Service Co.

The recent publication of the annual statement of the company indicated that again in 1924 further improvement has been shown in both gross and net earnings and that both of these were the largest in the history of the enterprise. The statement was of interest to investors in another way because of its novel and complete presentation of the usually dry figures that bewilder inexperienced investors. It is literally true that a child could understand the Jamaica Public Service annual statement. Each item of earnings and expense, assets and liabilities in the statement is described by means of a supplementary note that indicates what the figures mean.

The Jamaica Public Service Co. operates the public utilities in and about the city of Kingston, which is the chief city on the island of Jamaica, a British Colony and the largest trading centre in the British Indies. Kingston is not an industrial centre, but is the gateway to the island, which is widely known for the fruit which it produces and which has many points of interest to tourists. It has grown to a population of nearly 100,000, which is about the size of the Canadian cities of Hamilton and Ottawa. It is this population which is served by the Jamaica company. It operates a tramway system in the city and in an adjoining parish and operates also a light and power service in Kingston and the neighboring towns.

The properties consisted of steam electric generating plants, a hydro electric station, transmission line and a very extensive distribution system in addition to the tramway lines and their shops, waiting rooms, office buildings, etc.

Building for Good Will

The company had always given a good service locally, but in the course of time the spirit of initiative died down somewhat and public relations began to get less satisfactory. When the new group took over the properties, about two years ago, they proceeded to invest much new capital in needed expansions and to build for local goodwill. Experienced public utility operators were put in charge of the properties, a larger amount of information concerning operations was made available to the local newspapers and through them to the public; and even a customer ownership campaign was recently launched.

The president, Russel D. Bell, was able to point out that the improved facilities for rendering service had brought about a gradual betterment in the attitude of the public towards the company.

Comparative earnings since 1908 have been as follows:

Year	Gross Earnings	Net Earnings
1908	$217,410	$118,326
1909	236,065	113,885
1910	240,066	122,637
1911	263,108	122,014
1912	261,080	116,956
1913	284,841	128,584
1914	288,924	125,369
1915	274,317	123,540
1916	286,321	134,370
1917	287,210	120,112
1918	294,724	131,603
1919	383,664	154,767
1920	490,180	151,288
1921	536,866	185,376
1922	541,032	181,431
1923	not complete year	
1924	579,056	186,651

EXPECT BETTERMENT WINNIPEG ELECTRIC

Greater Commercial Activity is Apparent and Should Show in Earnings

From Our Own Correspondent

MONTREAL. — Despite the indication in the annual statement of Winnipeg Electric that the Manitoba Power Co. is proving at the moment something of a burden, there has been a healthy feeling of satisfaction among investors at the present position of the company and there is vigorous optimism as to the future of the enterprise. The annual statement concluded with a cheery forecast to the effect that: "The general tone in business at the present time in Greater Winnipeg appears to show a distinct tendency towards improvement and added commercial activity is apparent.

"The outlook for the company is for a better showing in the electric and gas utilities and it is hoped that the railway utility will be able also to register improvement for 1925. Much depends upon how rapidly economic conditions are restored to normal."

Winnipeg Electric is expected to get a substantial contract from the erection of the new paper mill to be erected in its territory.

The street railway system is not regarded as a particularly profitable end of the company's business. Electric and gas supply are giving better results. On the question of light and power and of gas the annual statement had this to say:

"Gross receipts by the electric utility were $100,000 greater than during the previous year. Kilowatt hours generated were increased 21 per cent., this result being obtained despite the adverse business conditions already referred to.

"During the year exclusive contracts with the city of St. Boniface and the principal suburban municipalities adjacent to Winnipeg were consummated for terms ranging from 12 to 20 years. These contracts have been ratified by the Manitoba Legislature and undoubtedly will prove to be valuable.

"As it had been recognized that much of the former gas plant would have in the ordinary course of events to be renewed and because of the necessity of manufacturing gas at a price that would enable it to be sold upon a heat unit basis equal to that obtained from electric fuel service, a new carbonizing plant of the Koppers by-product gas oven type was installed in 1924. It was completed and in operation last August. By its increased efficiency and by the production of a higher grade of coke, which is in great demand for fuel, the cost of the gas produced has been substantially reduced."

Consumers' Gas Offers Information to Mayor

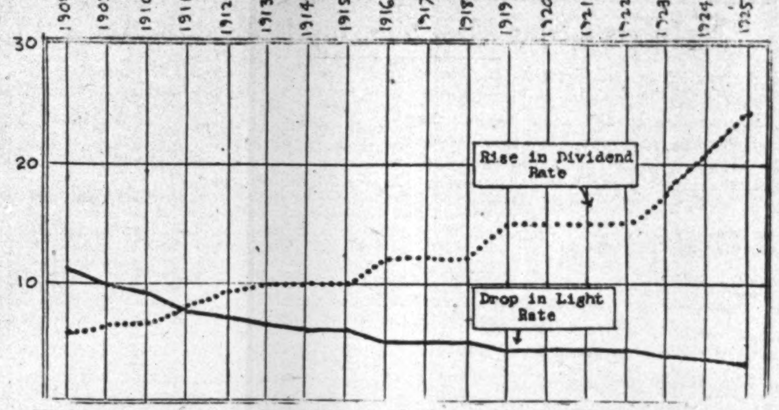
Following a great deal of city hall political talk about auditing the affairs of the Consumers' Gas Co. and an unsuccessful effort on the part of a little group of agitators to get legislation to permit a gum-shoeing expedition into the company's affairs, the directors of the company have issued an invitation to Mayor Foster to send accredited representatives to secure information desired. As a matter of fact the city has for years had the right to all information regarding the company's affairs and has been securing it through its own auditors. The management's opposition to the recent tactics was merely the result of objection to having the company made a political football.

Duluth Superior Dividends Resume Middle of Year

It is the present intention of Duluth Superior Traction management to resume 4 per cent. dividends in July, say Watt and Watt. The State Warehouse Commission handed down a very favorable decision regarding the valuation of the Duluth properties of the company and allows the company 7½ per cent. return on such valuation. The fare question relating to the properties in the city of Superior was decided favorably to the

(Continued on page 15)

Splitting With the Public



With each increase in the dividend of Montreal Light, Heat and Power has come a reduction in the cost of electricity to the consumer. Thus shareholders and consumers alike share in the growth of earnings occasioned by the growth of the city.

The upper line shows the increase in dividend rate and the lower line the drop in the light rate in Montreal. The dividend rate is shown in percentages and for convenience the rate is calculated on the old stock before the 1916 split-up. The light rate is shown in cents per kilowatt hour.

HYDRO'S PLANS FOR NEW STEAM PLANT

Not Likely to Go Into the Making of Gas With Coke as By-product

There are more or less definite reports that the Ontario Hydro Electric Commission will erect an important steam generating plant in Toronto to take care of the power situation. Amounts from $5,000,000 to $10,000,000 are mentioned in connection with the plan. But there are conflicting reports emanating from different sources, including the city hall and the offices of the Hydro commission as to whether the project will entail a straight steam plant to get a maximum of power or whether it will be a coking plant with the idea of supplying coke as a by-product for fuel purposes and thus taking advantage of the rebate clause of the new tariff against slack coal.

There has also been talk in connection with the project of distributing steam for heating purposes in the down-town area but there is a serious question as to whether it would be physically possible to instal an efficient distributing system.

Inquiries do not indicate that there is any danger of this new project interfering with the Consumers' Gas Co. and its plans. It is pointed out that Sir Adam Beck in his most recent statement favors the steam generating plant as compared with a coking and gas venture and that he has probably had the results of investigations as to the most efficient methods of generating power.

"POWER" DIVIDEND IS NOW AT 8 P.C.

Equivalent to 24 Per Cent. on Shares of Old Montreal Light, Heat & Power Company

MONTREAL.—The increase in the dividend rate of Montreal "Power" had been taken for granted when the company announced a couple of weeks ago a reduction in the lighting rates to consumers. Always this company precedes its announcements of increased dividends with reductions in light rates. Thus the company splits the benefit of increased earnings between customers and owners.

The light rates were reduced last week from a basic net rate of 4 cents per k.w.h. to 3½ cents per k.w.h. This week the dividend was increased from 7 per cent. to 8 per cent.

The dividend record of the company since its incorporation under its present capitalization in 1916, shows successive increases in the rate paid to shareholders. An initial dividend of 1 per cent. was paid November 15, 1916, being at the rate of 4 per cent. per annum. This rate was maintained unchanged throughout 1917 and 1918, and was increased to 5 per cent. from August 15, 1919. An increase to 6 per cent. was made effective with the payment of February 15, 1923, and the rate was further raised to seven per cent. effective from February 15, 1924. As the stock was split 3 to 1 when the present company was incorporated the present rate is equivalent to 24 per cent. on the old stock.

The dividends paid on the stock of the old Montreal Light, Heat and Power Company before its recapitalization in 1916, was 10 per cent., this rate having been in effect since May 15, 1913. The dividend record of the old company prior to that date was as follows: 4 per cent. from date of incorporation in 1901 until August 15, 1906; increased to 5 per cent. August 15, 1906; 6 per cent. beginning August 15, 1907; 7 per cent. August 15, 1909; 8 per cent. February 15, 1911; 9 per cent. May 15, 1912, and 10 per cent. from May 15, 1913.

The following table shows to what extent the shareholders have benefited in the profits and also the way in which the consumers have benefited too:

Year	†Net Rate	Capital	Dividend
1908	12.75	$17,000,000	$1,020,000
1909	10.00	17,000,000	1,020,000
1910	9.00	17,000,000	1,190,000
1911	7.50	17,000,000	1,275,000
1912	7.00	17,000,000	1,360,000
1913	6.40	17,000,000	1,530,000
1914	6.00	17,000,000	1,700,000
1915	6.00	18,743,174	1,827,500
1916	5.00	18,778,266	1,870,940
1917	5.00	63,717,200	1,903,895
1918	5.00	63,965,800	2,556,025
1919	4.80	63,126,100	2,562,291
1920	4.80	x64,475,500	x3,220,739
1921	4.80	64,553,800	3,227,688
1922	4.80	64,606,900	3,336,466
1923	4.25	64,532,100	3,985,808
1924	4.00	64,651,000	4,524,904
1925	3.50	64,651,000	*5,010,452

*Based on estimate of 7¾ per cent. for 1925.

x—20 months' period on account of change of fiscal years to agree with calendar year.

†(cents). Under 5 year contracts per Kw. hour.

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TONOPAH ON WALSH

High-grade ore has been opened up on the Walsh property in Gowganda under option to Tonopah Co., of Nevada. Developments indicate that it may be a real ore-shoot. The initial underground work on this property, years ago, was done on the strength of small deposits of high-grade ore in a strong-looking vein. It is hoped that the work at deeper levels will show up more consistent values.

MINING STOCK QUOTATIONS
WEEK ENDING APRIL 21

	Div. Rate	Yield April 21	High for wk.	Low for wk.	Close April 21	Close April 14	Sales for wk.	Range 1925 High	Low
Apex	..	....	3	2¼	3	2¾	17000	6½	2½
Algonquin	..	....	..	..	..	..	....	2¼	1
Argonaut	..	....	35	34	34½	35	20100	48	20
Atlas	..	....	3¾	3½	3½	3¾	13000	5	3¼
Baldwin	..	....	4½	4¼	4⅜	4¼	109700	7	2
Beatty	..	....	1	1	1	1⅜	10500	1⅜	1
Barry Hollinger	..	....	48	45	48	45½	30600	48½	42
Beaver	..	....	33½	25¾	32	25¾	96550	37	25¾
Bidgood	..	....	11½	9	11	8¾	27500	16¾	5½
Boston Creek	..	....	..	..	..	..	....	7	4½
Buckingham	..	....	3¼	3¼	3¼	3¼	7500	5⅜	3
Can. Lorrain	..	....	37½	36	36½	37¾	5000	50	36
Capitol	..	....	29	26½	28	27	6900	37½	26½
Castle Tre.	..	....	81	79	80½	79	64100	84	71
Clifton, Con.	..	....	15	9⅞	12	10	149250	25¾	9⅞
Coniagas	5	17.24	1.50	1.45	1.45	1.60	700	2.30	1.45
Cons. Smelters	6	2.17	70	65⅛	69	67½	10695	72	48
Cons. W. Dome	..	....	15⅜	14½	14¾	16	71050	22	14½
Col. Kirkland	..	....	7½	6½	7	7⅛	60750	10½	4
Crown Res.	..	....	39	36	39	36½	15300	54½	33½
Davidson C.	..	....	4	3¾	3¾	4¼	11000	5	2¼
Dome Mines	2.00	14.60	13.85	13.10	13.70	13.00	5972	16.50	12.90
Everett	..	....	9	8	8	9¼	70500	10	4¾
Gifford	..	....	½	½	½	½	5000	¾	½
Gold Reef	..	....	1⅛	1⅛	1⅛	1⅛	1000	2	1⅛
Goldale	..	....	17½	16¾	17	17	9300	22½	16¾
Hattie	..	....	1⅜	1⅛	1⅛	1¼	115300	2¾	1⅛
Hattie, pref.	..	....	20	9½	12¾	40	82650	67	9½
Inter. Nickel, com	..	....	28¾	28½	28½	29	75	29¾	24¾
Hollinger	13	4.59	14.35	13.80	14.15	13.90	3340	15.65	13.35
Hunton	..	....	5¼	4¾	4¾	5¼	3000	8½	4¾
Inspiration	..	....	..	..	..	..	....	10	7
Indian	..	....	13	9	9	14	38500	17	5
Keora	..	....	14	13	14	13	38300	19½	9½
South Keora	..	....	..	..	..	..	....	26	20
Keeley	24	12.06	2.00	1.97	1.99	1.98	12900	2.82	1.97
Kirk Lake	..	....	44½	37½	43¼	38	100400	50	35
Lakeside	..	....	10	9	9	9½	29500	15⅜	9
La Rose	..	....	52	42½	49	42½	95683	54	7½
Lake Shore	20	3.56	5.62	5.60	5.61	5.60	926	6.10	4.51
Lorrain T. L.	5	4.42	1.16	1.13	1.13	1.17	1300	1.34	1.13
Lorrain	..	....	16¾	15¾	16¾	17	63100	24	12¾
McIntyre	20	5.84	17.10	16.90	17.10	16.95	1075	18.25	16.00
McKinley	..	....	38½	31	32½	31	95400	44½	15¾
Mining Corp.	..	....	2.84	2.66	2.68	2.77	5310	3.16	2.55
Moneta	..	....	14½	13½	13½	14	2000	18¾	13½
Newray	..	....	24	21	23½	22	5000	28½	21
Nipissing	12+6	15.38	6.05	5.85	5.85	6.00	1730	6.80	5.85
Night Hawk	..	....	27	27	27	25	400	49½	25
Ophir	..	....	5¼	4	5	4¼	24000	7⅜	3
Pete. Lake	..	....	8½	8	8⅛	8¼	25800	12	8
Porc. Crown	..	....	4	4	4	5	1600	8	4
Premier Gold	32	13.61	2.47	2.35	2.35	2.45	1650	2.58	2.15
Preston E. D.	..	....	8½	8	8	8⅜	13350	12	7¾
Teck Hughes	..	....	1.45	1.39	1.40	1.40	30525	1.49	1.23
Thomp.-Krist	..	....	..	..	..	..	....	3	1
Timiskaming	..	....	20	20	20	18	1300	30	18
Tough-Oakes	..	....	32½	31	31	33	6050	45	30
Trethewey	..	....	19	18¼	19	18	5925	22	16¼
Skead	..	....	19¼	16¾	16¾	20	5000	20¼	14½
Victory Silver	..	....	18½	18	18½	20	10000	31	17
Vickers	..	....	5½	5	5½	5	2500	20½	4
Vipond Cons.	..	....	1.19	1.14	1.18	1.16	13350	1.42	1.14
Wakenda	..	....	..	..	..	..	....	3½	1⅜
Wasapika	..	....	2	2	2	2	500	3⅛	1½
West Tree	..	....	2¾	2½	2¾	2¼	26000	5	2½
Wettlaufer	..	....	5	4⅛	4½	4¼	11000	16	4⅛
Wright-Har.	20	4.44	4.50	4.40	4.50	4.50	1200	4.95	4.15
			Oil Companies—						
B.A. Oil	2+2	6.57	39¼	38	38	38½	865	41¼	36½
Imperial	25c	8.69	28⅞	28	28¾	28½	608	34½	27½
Inter. Pet.	25c	1.01	24¾	24	24¾	24	260	28¾	22
North Star, pref.	7	8.33	4.20	4.20	4.20	4.10	100	4.25	3.90
Continental	25c	1.11	23½	22½	22½	23¾	101½	29	22¾

News of the Mines for the Investor

MUCH STRENGTH IN MANY ISSUES IN MINING LIST

Some Fairly Substantial Advances Scored During Week—Nearly All Maintained

There has been considerable underlying strength to the mining market during the past week. Where buying of any account developed there have been material price advances and these have been fairly well retained. The volume has not been large but kept up to a fair average. The silver issues continue their dominance of the market but not to the same extent as has been the case during the past few weeks.

Beaver and Kirkland Lake shares both had sharp advances, the former 7 and the latter 5 points, on announcement of the cutting of a high grade ore body on the 1600-ft. level of the Kirkland Lake property. Bidgood advanced 3 points to 11. It is expected that a start will be made soon on dewatering the property with a view of again starting exploration. Barry Hollinger strengthened 3 points. It is stated that it will likely be the middle of May before the mill will start.

Castle showed fairly good buying, following redemption of the preferred. The company is earning around $80,000 monthly and should do better when more power is available.

Clifton has been fairly firm around 12 cents. The company is still trying hard to find commercial ore on the Provincial, Cobalt. Dome mines suffered another little weak spell during the week, selling down to 13.10 and then back up to 13.70. Hollinger is 45 cents stronger. Keora bettered its position slightly. It is not stoping ore on the Calcite Lake property, Gowganda. La Rose is higher again. Public regard for the operation, brokers say, seems to be gaining. McKinley was likewise better. Mining Corp. lost some 15 points to 268, though it is the opinion on the street that dividend action is not far away. Nipissing fell below $6 for the first time this year. The report for the first three months was a little disappointing but easily explained. Vipond strengthened a little as did Teck-Hughes. Rather the feature of the week was the break in Hattie preferred. It was pegged for considerable time from 55 to 65. Later it broke to below 50, then 40 and then opened the week at 20, or 20 points below the last sale and quickly sold down to 9½ and then recovered a little. This is a cumulative preferred stock. Forced liquidation is blamed as 82,650 shares were sold during the week.

Big Thing About North Is Chance for New Miners

Wallace J. Laut, associated with H. L. Gibson & Co., just back from a trip to the North, revisiting an area in which he has not been for years, as he put it, sizes up the big outstanding fact about the mining fields as follows:—"The North is making remarkable headway, but for every mine in production or development there are ten good prospects awaiting the big push of capital to prove them up.

"You will not meet a single mining engineer or executive in the North who is not confident that he could bring in mines at one or more places equal in importance to anything now operating of lesser magnitude than the Hollinger. Every man who has been over and studied the geology of certain sections believes in his favorite claim or group of claims.

"And while it has been said that capital is always available for any good purpose, the fact remains that the North is held up in development by reason of its very bigness. Splendid as have been the achievements of men and money, when one hears of so many promising prospects lying idle for want of money "to go down and see," it is a pity that scores more mines, employing tens of thousands of men, are not being given the opportunity to yield up their stores of gold and silver."

Frood Promises to Become Important Nickel Producer

Frood Extension mine of Mond Nickel seems likely to become the company's largest producer of ore. It has been equipped for production for only a few months, and now is producing at the rate of 1,000 tons a month, and is being developed for a much larger output. The history of the property is interesting. The outcrop is owned by the International Nickel Company and produced low-grade ore only. Some years ago, Mond diamond-drilled a mining claim, one of whose corners approached the outcrop, in the hope of finding ore at depth. The drilling indicated sufficient low-grade ore to warrant taking up the option. Subsequent mining operations disclosed a separate body of high-grade ore, which dips towards the centre of the claim, so that the deeper they go the more of this ore there is within the Mond.

Improved Methods Helped African Gold Production

Improvements in methods of mining and refining gold are resulting in important reductions in the cost of the production of gold in the South African field, according to the year book issued on behalf of the industry. In consequence of these improvements, it is said last year was the most successful from the standpoint of production and general results, that the Witwatersrand field, which produces about 60% of the gold output of the world, has experienced since it was opened.

THE LURE OF GOLD

Mr. Justice Murphy, of the Supreme Court, Vancouver, says that the lure of gold really led to the establishment of British Columbia. His father came to this province in the gold rush from California in 1858, in which year 25,000 people trekked into this province.

McIntyre's Nine Mos. Showing is Much Better

McIntyre has materially improved production to 9 months ending March 31, compared with the same period the year previous. Output is close to $300,000 higher. Costs including development, the latter a much more important item this year, though not including the new shaft, are only slightly up though the tonnage is up, leaving the profits nearly $200,000 higher. The mill tonnage is to be further increased so that McIntyre may be expected to do still better. The figures:—

	1st Quar. Sept. 30-1924	2nd Quar. Dec. 31-1924	3rd Quar. Mar. 31-1925	9 Mos. end. Mar. 31 /25	9 Mos. end. Mar. 31, /24
Gross recovery	$903,790	$885,570	$876,155	$2,665,516	$2,397,075
Costs, including development	463,475	459,079	476,822	1,399,378	1,320,266
Operating earnings	440,315	426,491	399,333	1,266,138	1,076,809
Non-operating revenue	20,371	24,726	24,122	69,220	69,541
	460,686	451,217	423,445	1,335,358	1,146,350
Less:—					
Provision for taxes for period	32,314	29,579	19,119	81,013	67,695
Net earn. before plant deprec.	428,372	421,638	404,336	1,254,345	1,078,655

Important Quebec Group Involved in Big Deal

Rouyn Gold Pan Syndicate Limited has optioned its group of properties in Dufresnoy Township, Quebec, to Anglo-French Exploration, represented by J. B. Tyrrell and Mr. Gibb. The price is $600,000, payments extended over four years. A diamond drill is now operating on the property. Ex-Mayor W. A. Taylor, New Liskeard, is head of the Gold Pan, while Mr. Tyrrell is in charge of operations at Kirkland Lake Gold and is now in the north. Next to the Noranda, the above property is regarded as perhaps the most promising in Quebec. There was a report, later denied, that Dome had taken up the property.

HOW FREE MINING PAPER DECEIVED

Crown Attorney Refers to Methods Used by Flaters in Promotion Scheme

Crown Attorney Eric Armour, in addressing the jury in the case of the Flaters, father and two sons, found guilty of theft of moneys raised for the Flater Gold Syndicate, rather severely scored the use of a free distribution paper by the Flaters as part of their stock selling methods. The general falsity and illegality of purpose of the publication, were referred to in opening a complete review of a copy of the paper. Mr. Armour outlined the set-up of the Flater selling proposition as woven into the columns of the paper. He pointed out how, starting at the front page, they built up their case until the investor ultimately came to the page advertisement offering the shares, appearing on the back page. Other news, he said, was used to help carry across the misrepresentation. He said it was cleverly done. They boosted Northern Ontario, boosted Hollinger gold mines, boosted the syndicate method and then after referring to other representations which he said were made, declared he could hardly conceive of a more cynical disregard of the truth.

Gold Syndicate Heads Are Sent to Prison

The three Flaters, father and two sons, who promoted Flater Gold Syndicate raising funds to operate the Jones claims, Deloro Tp. Porcupine, and more recently found guilty of conspiracy to defraud, theft and receiving $8,150, go to jail. The father, J. B. Flater, 3 years in Kingston, C. P. Flater, 6 months to 2 years, less 1 day and S. F. Flater, 3 months to 2 years, less 1 day in the reformatory. The Flaters sold the public stock in their mining syndicate and diverted the funds to their own use, was the Crown's contention.

Dr. Bell Performed a Real Service For Canadian Mining

Before leaving London, Eng., on his return to Canada, Dr. J. MacIntosh Bell performed a good service for Canadian mining. He told those critics of Canadian enterprise, that, they would find the fiascos of which they complain, decorated their own, rather than Canadian doorsteps. He meant of course, the Davidson and Bingo situations, Canadians he told them, had little to do with these; London and other financial circles figured rather prominently. "There has been a tendency on the part of your people to account for all your financial troubles in Canada by the theory that Canadians were endowed with a double dose of original sin. That attitude has had the very natural result of arousing keen resentment in the minds of many Canadians and the consequence is that our press has got busy upon the shortcomings of British financial methods." He added:—

> "So far as Canadian mining in concerned, development continues to be steady and remarkable. Nowhere in the world is metal mining making such marked and satisfactory progress, whether tested by outputs, by profits or by new discoveries. You must always bear in mind that the fields in Canada are still very new, and that except where underground work has actually begun, winter is a close season and no fresh news can come to hand. Every summer, however, will, I believe, bring to light fresh deposits of real economic importance."

Old Rabbit Mt. Silver Operation Being Re-opened

PORT ARTHUR.—Rabbit-Mountain silver mine, first discovered on the mainland following that of the remarkable rich Silver Islet, allowed to lapse to the Crown some time ago, was recently restaked by F. Campbell, who has also taken in a number of adjoining claims. With the help of a syndicate of Port Arthur men he is developing the property.

Several new discoveries of importance have been made. In the old days Rabbit-Mountain produced spectacular masses of solid argentite. If success attends this new venture, it will revive interest in the whole Thunder Bay silver area.

SILVER AND OTHER METALS

April—	20	21	22	23
Silver—				
London (d.)	—	31¾	31 7/16	31 5/16
New York	66⅞	66⅞	67	66¾
Copper	—	13¼	13¼	13⅜
Lead	—	7.65	7.75	7.65
Zinc	—	6.80	6.80	6.85

BINGO CASE TO TEACH CAUTION

Geologist and Engineer Declare Mine Has no Commercial Value

It is not being clearly indicated as yet as to whether samples from Bingo mines were salted or not. An examination of the pulp from the samples may clear up this point. The charge against Jos. Myers, managing director, is not of salting but of making false statements. The question of salting, however, is uppermost in the evidence. John Dresser, geologist, and John Reid, engineer, both told the court that they failed to find in the Bingo the high values previously reported as contained in the mine. They declared the ore was of no commercial value.

If it serves no other purpose, mining men see considerable benefit accruing to the industry from the Myers preliminary trial, now going on at Winnipeg. It is going to make investors cautious. It is going to result in insistance on thorough examinations and reports by responsible engineers before properties are purchased. It's the old saying over again, "once caught, twice shy."

From evidence adduced it is indicated that the care taken by large companies to protect samples and guard against tampering, was absent in the case of some of the Bingo samples, at least. Witnesses told of samples being left in buildings for some time before being sent out for assay. Full details of the method of shipping, have not as yet come out. The practice of large companies is to have the bags sealed underground and in some cases a special colored string is used to tie them before they are sent to surface. In other cases sample bags are placed in leather bags and securely locked thus preventing the use of a needle. Even when the bags are removed they are examined carefully to see if there is any moisture which would indicate liquid salting. The examination of the canvas bags with a powerful glass to see if filings were caught in the texture, has revealed cases of salting. Bingo samples sent to Cobalt for assay were well sealed.

Dresser's the Final Test

The Dresser's examination, the final one, followed examinations by J. A. Reid, consulting engineer, and also the Dorr engineers. The latter made an examination for purposes of designing a mill. The Dresser had an assay plant in charge of a representative of a responsible firm, set up on the Bingo property to do his assaying. His samples went from the mine to the assay office in locked bags. T. S. Gilchrist, the assayer, gave the values from the Dresser examination as averaging 60, 70, 80 cents and as high as $136 per ton. Mr. Dresser said that he found the average values of the mine $1.20. Costs in the Herb Lake area would run $10 a ton. Under present conditions he would say Bingo mine was of no value as a commercial proposition. Ferdinand Moudoux, assayer, Temiskaming Testing Laboratories, said that 327 samples from Bingo, asssayed last November, gave values 20c to $393. Lower amounts predominated. Mr. John Reid said his sampling showed average values of $1.69.

The assay values which were given out previously, and which it is at least intimated, come from salted samples, were given by Mr. Reid as $24.31 average. He said this represented values secured in samples sent out by the mine staff.

Mr. Dresser was hired to make his examination by Mr. Myers, the accused. Dresser said Myers told him that some doubt had arisen through the examination by the Dorr people, their reports having revealed small or insignificant values on the mine.

Notes on Mine Progress

Argonaut

It is stated that the millheads or average content of the ore being treated at Argonaut is running about $11.

Kirkland Lake Gold

Assay results of the strike on Kirkland Lake Gold are not yet available, but it is understood that the drift on the 16,000-ft. level is still in high grade with the ore showing great consistency in appearance.

Nipissing.

Nipissing's production for the first quarter 1925 was $360,880. For the same period of 1924 it was $493,598. Gen.-Mgr. Hugh Park says operations were somewhat curtailed in the first two months, but the low grade mill toniage made a record in March. Nothing of any considerable importance was found in development during the period.

Dome

Dome is doing better this year than last. The final quarter shows a higher tonnage, lower values, but equally lower costs with consequent higher net profits. The figures are encouraging.

Three Months—	1924	1925
Tons milled	116,700	131,500
Value per ton	8.843	8.012
Recovery	1,031,933	1,053,631
Cost per ton	4.842	4.00
Total	565,009	526,052
Taxes	26,635	26,924
Oper. profit	440,289	500,651
Other earnings	65,183	44,011
Total earnings	$505,472	$544,666

Vipond

The shaft at Vipond will be carried below 1,000-ft. and the milling capacity doubled by the end of the year. Dr. Bell, managing director, just back from England is now in the north. He says of the Vipond that the most striking feature of recent development has been the results of diamond drilling below the 1,000-ft. level. These have lately been most satisfactory. Several veins carrying good values have been cut, some of which were found in the workings above, and some of which are completely new ore bodies.

FULL OF GOOD DATA

The Northern Miner has just issued it first special mining feature issue. It is termed "Investors' Edition, 1925" and is well worth while, covering the Northern Ontario and Quebec field very thoroughly and containing a fund of valuable information.

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Current Events in Banking World

HOW ONE CHEQUE ARTIST WAS OUT-WITTED CLEVERLY

Bank Men Must Be Constantly on Guard Against Crooks

Recently there have been reports from different parts of the country indicating that the law-evading element is particularly active in the passing of both worthless cheques and counterfeit money. Some important hauls have been made in connection with the making and marketing of bogus bills and a number of cheque artists have been brought into the toils. Others have merely left a trail of worthless paper—sort of a paper chase for the officers of the law. One of these was a woman who got away with about $500 at Oshawa; she presented herself at different banks during the absence of the managers and issued cheques on a Hamilton bank, representing herself as a member of one of Oshawa's school staffs.

In connection with an effort to take in the accountant of a Toronto branch of the Union Bank, however, there is a different story to tell and that story may have some useful hints for bank men generally, especially as the game was upset in this instance because the intended victim had made use of information which had been passed on to him as this is being passed on to others. A stranger dropped into the Eglington branch of the Union saying that he wanted to transfer to that branch $2,500 from the Earlscourt branch of the Dominion; he produced a bank book purporting to show a balance of $5,500 on deposit in that bank. R. M. Bolton, the accountant and acting teller, had heard of similar cases where fraud had been practiced, casually called in the manager to deal with the stranger; he then quietly communicated with the Dominion Bank. Finding that there was no balance to the credit of the stranger's name as claimed Mr. Bolton notified the police. In the meantime the stranger asked the manager to cash two cheques for $75 and $40, one drawn on a Peterborough branch and another on a Toronto branch, on the strength of the account he was opening. The manager delayed the transaction, saying that the teller had been called out of the cage on business and that he did not want to touch the cash pending his return.

Thus the transaction was smoothly held up until the police arrived and an arrest effected. Charges of fraud were laid and it is hoped that the developments will clear up the passing of worthless paper in Brantford and Oshawa as well as some other similar incidents in Toronto.

A Game of Wits

In the making and enforcement of laws for the welfare and protection of the public it has been accepted that so long as conditions affecting business, finance and society generally are subject to change, requiring new laws and regulations, just so long will those who can profit by evading such law continue to pit their wits against the law makers and the courts. And so, despite the preventive steps which are constantly being taken by law-making bodies to curb the activities of forgers and other cheque artists, it behooves the members of the banking fraternity coming in contact with the public to be constantly on guard against new tricks of the crook crowd to defeat their watchfulness or to take advantage of their willingness to accommodate the public.

Bank men cannot be too careful of strangers holding out prospects of attractive accounts. Without discouraging business there are ways to take precautions as indicated in the case referred to above. And after all it is pretty safe to work on the principle that the stranger who objects to presenting adequate credentials is not much of a prospect after all.—J. W. T.

Home Bank Minutes Are Said to be Hearsay

The appeal of Home Bank directors against convictions by the lower court, on charges arising out of the bank crash, have opened before first divisional court, Toronto. The contention of A. C. McMaster, K.C., counsel for Col. C. F. Smith, Montreal, was that the minute books of the bank directors' meetings had not been proven. Also that the minutes were merely hearsay, written by a man not in attendance at the directors' meetings.

Staff Gossip

Harley R. Ennis, of the branch of Union Bank, Owen Sound, has recently been transferred to the Shelburne, Ont., branch.—Register, Norwood.

* * *

Mr. Graves, who has for the past couple of years acted as teller in the Bank of Commerce here, has received notice that he is being transferred to Peace River.—Enterprise, Consort.

* * *

John G. Vicq, who opened the branch of the Union Bank in Wolseley in 1902 and remained as manager for nearly five years, died at his home in Moose Jaw recently. — The News, Wolseley.

* * *

M. C. Manhard, of Kennedy, has arrived at Montmarte to take charge of the branch of the Bank of Toronto. The present manager, J. D. Clarke, is being transferred to Winnipeg. —The News, Wolseley.

* * *

The death occurred this week of Robert John Bradshaw Crombie, at Toronto. He was a native of Toronto and had attained his 80th year. For many years he had been connected with the Bank of Montreal, for which he had filled the position of manager at Newcastle, Chatham, Belleville, Kingston and Picton branches. Some years past, however, he had been living in retirement. Mr. Crombie, was a veteran of the Fenian Raid of '66.—The Star, Toronto.

How Maritimes Have Lost Financial Crown

From Our Own Correspondent.

MONTREAL.—How the Maritime provinces have lost their leading financial institutions and how Halifax has lost its position as a financial centre are shown in the reproduction, in the Halifax Herald, of the official Halifax stock exchange list of 50 years ago.

The securities traded in on one day in 1875 were as follows:

	Sold at
Halifax Bank Co.	131
Bank of Nova Scotia	151
Bank of Br. N. America	151
Union Bank of Halifax	152
Peoples Bank of Halifax	144
Merchants Bank of Halifax	142
Commercial Bank of Windsor	126½
Bank of Montreal	187
Merchants Bank of Canada	117½
Halifax Fire Insurance Co.	110
Acadia Fire Insurance Co.	121
N. S. Marine Insurance Co.	100
Union Marine Insurance Co.	100
Merchants Marine Ins. Co.	75
Halifax Gas Light Co.	150
Chebucto Marine Ry. Co.	90
Starr Manufacturing Co.	100
Halifax Skating Rink Co.	100
Temperance Hall Co.	70
Canso Marine R. R. Co.	80
North Sydney M. R. Co.	100
Colonial Market Co.	250

Of six local banks mentioned in the list, not one still retains its chief place of business in Halifax. Others of the companies mentioned have lost in significance as Maritime province companies.

WEYBURN SECURITY INCREASED PROFITS

Better Business Conditions in Western Canada Reflected in Annual Report

Improved conditions in Western Canada are reflected in the higher profits of the Weyburn Security Bank for 1924, as indicated by the annual report just issued. The net figures were $46,601, compared with $40,270 in the previous year. Taxes were higher and an increased amount was written off, but after the payment of dividends of 5 per cent. there was $5,420 to be added to the balance, now totalling $20,528 in addition to reserves of $225,000. Following are comparative figures:

	1924	1923	1922
Profits	$46,601	$40,270	$48,427
Taxes	8,015	6,666	7,638
Written off	6,938	4,001	3,240
	$14,953	$10,667	$10,878
	$31,648	$29,603	$37,554
Dividends	26,228	31,474	36,719
	$5,420	$1,871	$835
Bal. forward	15,108	16,979	16,144
Balance	$20,528	$15,108	$16,979

The balance sheet shows an important increase in assets of $1,215,087 to a total of $5,008,896. Both savings and demand deposits grew materially and the bank was able to increase its gold reserve and materially add to bank balance. A new item of $200,000 of call loans in Canada is of interest. Comparative figures follow:

	1924	1923	Change
IMMEDIATELY AVAILABLE LIQUID ASSETS			
Specie	$ 18,935	$ 18,163+	$ 772
Dom. notes	52,211	130,364—	78,152
Note cir. dep.	24,982	24,254+	728
Notes, bank	2,948	11,825+	11,123
Bank bal.	1,280,177	690,444+	589,733
do., ab'd.	44,494	45,998—	1,504
Gov. sec.	357,469	215,209+	142,260
Cheques	60,727	38,459+	22,268
For. curr.	1,452	964+	488
Gold reserve	300,000	.......+	300,000
	$2,163,395	$1,175,680+	$ 987,715
% total assets	43.2	31.0+	12.2
% tot. liab. to public	51.2	39.0+	12.2
OTHER ASSETS			
Pub. sec.	$ 9,315	$ 9,315	....
Other sec.	91,750	.......+	91,750
Current	1,872,358	1,953,189—	80,831
Non-curr.	109,825	134,933—	25,108
Mun. loans	11,243	49,022—	37,779
Real estate	160,888	106,125+	54,763
Mortgages	73,475	65,283+	8,192
Premises	233,174	225,426+	7,748
Can. call loans	200,000	.......+	200,000
Other assets	83,473	74,836+	8,637
	$2,845,501	$2,618,129+	$ 227,372
Total assets	$5,008,896	$3,793,809+	$1,215,087
LIABILITIES TO PUBLIC			
Circulation	$ 725,923	$ 475,188+	$ 250,735
Dem. deposits	1,701,781	1,023,864+	677,917
Savings	1,653,508	1,398,032+	255,476
Due banks	15,451	19,641—	4,190
Due Dom. Govt.	60,238	41,703+	18,535
Due Prov. Govt.	38,847	22,751+	16,096
Other liab.	29,743	34,843—	6,100
	$4,225,491	$3,016,022+	$1,209,469
TO SHAREHOLDERS			
Capital	$ 524,560	$ 524,560	....
Reserve	225,000	225,000	....
Dividends	13,318	13,119+	199
Balance	20,527	15,108+	5,419
	$ 783,405	$ 777,787+	$ 5,618
Total liab.	$5,008,896	$3,793,809+	$1,215,087

DOMINION NOTE CIRCULATION

OTTAWA.—Notes in circulation were reduced by practically $12,000,000 last month, at the same time gold held was reduced by about $5,000,000. The percentage of gold to notes increased from 56.8 to 57.7.

On March 31 Dominion notes in circulation totalled $206,712,088, against $218,284,009 on Feb. 28. Gold held was $119,573,226 against $124,523,877.

Weekly Bank Clearings

(In comparison with the same week last year.)

EASTERN CITIES	Apr. 16, 1924	Apr. 16, 1925
Halifax	$ 2,431,621	$ 2,169,604
St. John	2,623,697	2,179,101
Moncton	811,644	622,044
Quebec	4,987,327	5,071,935
Sherbrooke	787,556	651,486
Montreal	92,583,058	61,624,735
Ottawa	6,697,856	5,320,486
Kingston	610,106	572,272
Peterboro	789,325	809,341
Toronto	92,598,396	63,499,576
Hamilton	5,138,588	3,939,087
Brantford	859,990	715,291
London	2,627,719	1,961,769
Kitchener	957,525	712,916
Windsor	3,321,280	2,773,923

WESTERN CITIES	Apr. 16, 1924	Apr. 16, 1925
Fort William	$ 676,949	$ 553,918
Winnipeg	33,082,359	40,591,040
Brandon	464,815	480,837
Regina	3,015,890	2,632,643
Saskatoon	1,444,711	1,186,574
Moose Jaw	983,487	768,585
Prince Albert	313,870	257,912
Lethbridge	409,967	441,317
Calgary	5,874,318	5,587,883
Medicine Hat	318,586	229,592
New Westminster	561,419	523,218
Vancouver	15,556,946	13,211,872
Victoria	2,282,604	1,374,191
Edmonton	3,787,554	3,511,716

THE GUARANTEE OF BANK DEPOSITS FAILS IN TEXAS

Many State Banks Are Taking Out National Charters

From Our Own Correspondent.

NEW YORK.—In protest against state controlled deposit guaranty regulations recently re-enacted by the state government, ninety-six Texas state banks applied for national charters between the first of January and the first of April. This constitutes a record for the state of Texas and is probably a record for the national banking system as a whole. Local banking comment indicates that more Texas state banks will follow the lead of those which have already given up their state charters.

The continuance of the increase in failures of small banks in the West and South West and the drain that these failures are causing on the resources of the bank deposit guaranty fund in Texas have produced great indignation in Texas. This indignation is taking form in the withdrawals mentioned above.

Incidentally, it may be said that the continuance of small bank failures in the agricultural sections of the West is causing the Administration in Washington considerable concern. According to statistics just made public by the Treasury Department in Washington, 1,872 banks have failed in the United States in the past four years, most of them small state chartered institutions in the agricultural sections of the country. Total failures in 1924 were greater than they were in 1921, according to the Treasury Department, although total deposits involved were somewhat smaller.

The dangers of even the commercial guarantee of bank deposits is revealed in an interesting way by comment on the bank failure record during 1924 by some of the insurance companies which sell coverage of this kind. The continuance of failures in the West has hit some of these companies pretty hard and many of them are said to be preparing to withdraw entirely from certain sections of the West if an early improvement in the banking situation does not take place.

But despite the attempts made from Washington to minimize the seriousness of the banking situation in some of the Western states, there is every reason for believing that no marked relief can be looked for for some time to come. A local banker who has just returned from a trip West told THE FINANCIAL POST that in his opinion the recent sharp rise in grain prices was of rather doubtful value to many of the graingrowers of the American West.

"We Easterners all assume that all the graingrowers sold their grain before the break in prices took place," he told your correspondent. "But this was not the case. No more is it true that they are sold at the top price. Many of them sold early in the rising market and did not get very high prices. Others, and I believe their numbers run into the thousands, jumped into the grain market as speculators at the last minute. When the break came, many of them lost all they had gained by selling their own grain at high prices in the beginning."

This banker thought it quite probable that this speculation had a great deal to do with the recent failures of many small banks in the West.

Exchange

The leading change of the week in the exchange markets was the sudden rise of sterling on heavy buying, which was first taken as the beginning of the process of preparing to place the pound on a gold basis immediately. After rising above the $4.80 mark, which was very close to a five-year record, sterling receded slightly and has since remained firm between 4.79 and 4.80. The continentals followed sterling in the upward movement, but later reacted on profit taking.

NEW YORK FUNDS

			Last Year	
	High	Low	High	Low
April 16	1-16	1-32	2 3-16	2 3-32
April 17	1-32	1-32	2 5-32	2 3-32
April 18	1-32	Par	—	—
April 20	Par	Par	2 3-32	1 29-32
April 21	Par	Par	—	—
April 22	Par	Par	1 7-8	1 3-4

STERLING, FRANCS AND LIRE

	Sterling Demand	Francs Demand	Lire Dem.
April 16	4.78¼	5.20	4.11
April 17	4.78½	5.24¾	4.10¼
April 18	4.78¼	5.20¾	4.09
April 20	4.79 9/16	5.21¼	4.09¼
April 21	4.79¼	5.22	4.10
April 22	4.79¼	5.17¾	4.09¾

NEW BANK BRANCHES

During the month of March the Canadian chartered banks opened only five new branches, four of these being sub-branches, while the number of branches closed during the month was twenty-three. Following is a list of the branches opened and closed during the month:

Opened

Provincial—S. Felix de Valois, (sub-agency to Joliette, Que.); Crabtree Mills, (sub-agency to Joliette); Quai des Eboulements, (sub-agency to Baie S. Paul, Que.); S. Etienne de Beauharnois, (sub-agency to Valleyfield, Que.).

Royal—Valencia, Venezuela.

Closed

Canadienne Nationale — Chelmsford, Ont.; Riviere du Loup, St. Ludger, Que.; Edmunston, N.B.; Baker Brook, N.B. (sub-agency); Green River, N.B. (sub-agency); Lac Baker, N.B. (sub-agency); Ste-Anne de Madawaska, N.B. (sub-agency); St. Francois de Madawaska, N.B. (sub-agency); St-Jacques, N.B. (sub-agency).

Commerce—St. George St., Moncton, N.B.; Elstow, Sask.; Marpole, B.C.

Montreal.—New Germany (sub. to Waterloo); St. Agatha (sub. to Waterloo); Rockburn, (sub. to Ormstown, Que.); Instow, Sask.; Ethelbert, Man.

Nova Scotia—Sparks St., Ottawa; Bayfield, N. B.

Royal — London, Hamilton Road; Black Lake, Que.; Cardigan, P.E.I.

SOME INCREASE IN BANK DEBITS

But This is More Than Offset When Seasonal Tendencies Are Allowed for

The bank debits to individual accounts at the clearing house centres of Canada as reported to the Dominion Bureau of Statistics by the Canadian Bankers' Association, showed an increase of 1.6 per cent. in March over the corresponding month of the preceding year. The advance as compared with February last was 4.7 per cent., but this increase would be more than offset if seasonal tendencies were allowed for.

The bank clearings in March were $1,195,146,690, an increase of 1.8 per cent. over the record of March, 1924, and of 7.7 per cent. over the record of February of the present year. If allowance is made for seasonal tendencies based on the experience of the last ten years, the adjusted clearings would indicate a decline of 3.5 per cent. from the record of February.

	March, 1925	Feb., 1925
Maritime Provinces—		
Halifax	21,108,505	17,469,224
Moncton	5,331,042	5,305,700
St. John	17,295,466	15,938,508
Total	43,735,013	38,713,432
Quebec—		
Montreal	513,188,346	552,070,235
Quebec	41,713,503	37,706,823
Sherbrooke	7,981,352	5,506,563
Total	562,883,201	595,283,563
Ontario—		
Brantford	5,898,047	5,707,100
Chatham	6,967,564	5,264,014
Fort William	5,574,018	6,863,158
Hamilton	41,163,120	34,579,908
Kingston	4,361,844	3,988,452
Kitchener	7,221,708	7,301,389
London	20,009,690	17,556,970
Ottawa	126,508,001	101,449,037
Peterborough	5,591,562	4,952,657
Toronto	557,583,675	558,247,248
Windsor	22,026,529	19,351,786
Total	802,905,758	765,211,804
Prairie Provinces—		
Brandon	3,303,141	3,147,744
Calgary	44,362,862	36,738,941
Edmonton	26,561,321	26,308,853
Lethbridge	3,732,270	3,657,269
Medicine Hat	4,297,386	3,841,966
Moose Jaw	7,307,975	8,089,587
Prince Albert	1,890,812	1,824,330
Regina	20,132,970	17,741,443
Saskatoon	7,914,731	7,363,995
Winnipeg	335,388,607	272,146,119
Weyburn Security	2,134,683	2,039,313
Total	457,026,758	382,919,560
British Columbia—		
New Westminster	4,540,471	4,188,172
Vancouver	113,978,325	107,142,306
Victoria	19,957,587	22,632,972
Total	138,476,383	133,913,450
Grand total	2,005,027,113	1,915,041,809

IMPERIAL BANK

The Imperial Bank announces the following staff changes: Irving C. Wedd, formerly accountant, Yonge and Queen Sts. branch, Toronto, has been appointed manager, Bloor and Bathurst branch, Toronto, vice, H. G. Mason, resigned; A. E. Gibson, formerly of head office staff, has been appointed accountant, Yonge and Queen Sts. branch, Toronto.

When you buy or sell Foreign Exchange

—do you obtain the most favorable terms?

This Bank, because of its connections with the strongest financial institutions abroad can procure the closest possible rates on drafts and bills of exchange at all times.

Through maintaining direct and constant touch with our British and Foreign Department in Toronto, every important Branch of this Bank is in a position to serve its customers to their fullest advantage in all matters concerning Foreign Exchange.

Whether you wish to buy or sell, it is in your interests to consult the manager of our nearest branch.

IMPERIAL BANK OF CANADA

690

FLOUR EXPORTS INCREASE

Despite the fact that the greater part of last year's wheat has been sold, and is out of the market, the total value of wheat flour exported during the eight months ending with March was $53,106,873, as against $44,364,432 for the same period last year. Purchases by the United Kingdom for the period were about the same, but our exports to other countries increased in value from $28,725,028 to $38,676,705. The quantity shipped to other countries via the United States increased in value from $14,385,952 to $24,606,977, while direct shipments from Canadian ports declined in value.

BANK OF MONTREAL

The Government Street, Victoria, branch of the Bank of Montreal will be transferred, at the end of the present month, to the new and commodious banking premises at the corner of Douglas and Yates Streets where accommodation for the bank's three downtown branches has been provided by the erection of a large addition, completed a year ago. E. W. McMullen, manager of the Douglas Street branch, will continue in charge in Victoria.

Facts concerning a progressive organization

Durant Motors of Canada Limited

More than 21,000 Durant-built cars are now in daily use in Canada.

EXPERIENCE

The Success of any industry today depends, not on the extent of capital invested, but on the initiative, training and experience of the management. Without good management, business Success is impossible. The management of Durant Motors of Canada Limited is composed of men of many years of successful experience in the industry.

PERSONNEL

The executive heads of Durant Motors of Canada Limited are living proofs that "years teach us more than books". The General Manager, the Sales Manager, the Factory Manager, the Manager of the Service Division and the Secretary-Treasurer and Comptroller, have records of Service averaging fifteen years in the motor car industry, the last ten spent with Durant enterprises. They have come up through all the phases of development of the business, with the leaders in the industry.

STABILITY

Only those things survive that are built with care, and upon a thoroughly secure and substantial foundation. Such a foundation was laid for Durant Motors. The organization is carefully built, and the experience of the executives enables them to surround themselves with the best type of craftsmen.

The growth of Durant Motors of Canada Limited is proof of the quality of their products, built by an experienced organization. Its development is not forced—it is growing naturally as all good things grow.

DURANT MOTORS OF CANADA LIMITED
Leaside (Toronto) Ontario

THE FINANCIAL POST

Member Audit Bureau of Circulations
President—JOHN BAYNE MACLEAN
Vice-President—HORACE T. HUNTER.
Manager—GORDON RUTLEDGE.
Editor—J. W. TYSON.

A weekly newspaper, presenting in a popular manner, reliable information respecting investments and financial affairs in Canada.

Advertising matter which has a tendency to mislead or which does not conform to business integrity, is declined. Acceptance of advertising will not deter the editorial department from making such comments as the situation may suggest.

Reading matter, other than official reports of annual meetings, will not be accepted as paid advertising unless marked "Advertisement."

No material from news bureau sources submitted for editorial purposes will be published, and no such bureau or individual should be paid any consideration, or given any credit for the insertion or inspiration of any item.

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The detailed circulation statement we submit is the sworn finding of the Audit Bureau of Circulations, the recognized independent authority. THE FINANCIAL POST is the only Canadian financial paper submitting its circulation to the A.B.C. Inspection.

THE FINANCIAL POST HAS THE LARGEST PAID CIRCULATION OF ANY CANADIAN FINANCIAL PAPER

TORONTO, APRIL 24, 1925

THAT CAPITALIST CLASS

THERE was a time when the ownership of business was largely centred in the hands of a limited moneyed class. That time has passed. To-day, through bond and stock investments, ownership has been split up among thousands of investors and they are dependent upon business prosperity for a return upon their money.

During the present month the distribution in dividends on securities of which particulars are readily available will entail over $40,000,000 of which more than $25,000,000 is from commercial corporations. This indicates the extent to which the incomes and the buying power of the public are dependent on the successful and profitable conduct of business. This point is very well brought out by the Kingston Whig, which emphasises that it is in the public interest that business should be successful in order that fair dividends on public funds invested be earned and paid.

> Money invested in securities brings back no returns to the investor unless the enterprise in which it has been invested can earn profits; and the earning of profits is wholly a matter of favorable operating conditions. We have men in our legislatures who are to-day doing all in their power to destroy the commercial and monetary structure of the country in order that they may erect one of an entirely different character in its place. This structure which they are seeking to impose on us has never been tried. It has not got beyond the theoretical stage. It might work or it might not. The outlook is on the negative side, seeing that the judgment of all recognized economists is against it.
>
> We should, therefore, lend no encouragement whatever to these men who have nothing but half-baked propositions to offer. This is not the time for experimentation. It is essentially the time for holding on to those methods and systems which have stood the test of experience. They may have their defects; but they are at least practicable.

Many business corporations are now following the sound policy of steadily broadening the investment interest among employees, customers and the general public, and this should lead to saner consideration of legislation affecting business. In a word, wealth is being so widely distributed that there can no longer be a definite devision between the capitalist class and the general public.

WANTED: A COMMON SENSE TARIFF

"I HAD no confidence in a tariff board to be established by a high protection party in power in 1912," said Mr. Kyte in the Commons last week, answering a criticism that he opposed the tariff board idea then, but supported it now. "There was no chance of appointment to that board of any but high-tariff men. To-day the Opposition chides the Liberals for the diversity of tariff views in this party, but let me tell the Conservatives that a tariff board to be appointed by the present administration has a wonderfully better chance of meeting the views of the whole Dominion than that Conservative board."

From this, the only conclusion to be drawn is that in the opinion of Mr. Kyte at least the tariff board will merely carry out the policy of the government which appoints it. Surely this cannot be the idea of Premier King. Such a board would be a farce. Instead of being an independent body of competent experts whose recommendations would be based on scientific study of economic conditions affecting farmers, workers, manufacturers and others, it would be nothing more than the tool by which the government of the day could enforce its particular political policies, while, if desirable, evading responsibility for them.

The tariff board idea has long been advocated by THE FINANCIAL POST. We supported it when proposed in 1912 as we are favorable to it now. But our idea is a taxation body that will be strictly independent of politics and will consider the tariff and other taxation matters on a purely scientific basis. We have nothing but condemnation for any scheme to provide a new disguise for political tariff tinkering.

Particularly since the war increased tax burdens, Canadian business has been hampered by many experiments in regard to the tariff and other sources of revenue. In many cases these have shown a lamentable lack of consideration or understanding of interests affected. The result has been a maximum of disturbance to business and a minimum of income. Such a situation could be overcome by appointment of a board of competent experts to advise the finance minister who cannot be expected to have scientific knowledge of these matters. As regards the tariff itself, the need for the application of scientific principles is being more and more widely recognized. The following is from a recent letter of the American Exchange National Bank:

> Although the scientific tariff carries the principle of the protective tariff with it, the form is less extreme and is perhaps more nearly in accord with the national interest. In its simplest form the protective tariff fosters home industry for the sake of the industry. The scientific tariff fosters home industry for the sake of the home. The difference is a considerable one.
>
> A bald protective tariff has its eye on the market alone; a scientific tariff looks to production first. The protective tariff protects whatever job the worker may happen to have, without regard to the national economy, while the scientific tariff seeks to put the worker in a job that will not need to be protected. In other words, the scientific tariff is intended to develop the industries in which the country is equipped to excel, while the protective tariff is intended to preserve established industry, whether it ought to be preserved or not.
>
> Because it tends to develop and preserve the industries in which a country excels, a scientific tariff not only protects, it constructs; it not only fosters home industry, it also fosters world trade. It is possible that the key to the solution of the problem of world economic harmony may yet be found in the universal application of the principle of scientific tariffs.

Let us have then a taxation board that will give Canada a commonsense tariff and apply sound economics to taxation, in general, a body whose advice will be valued and respected by the present government or any government. If the idea is merely to have a new agency to impose political policies disguised as economics it would be better to have been stillborn.

THE WEST HAS RECOVERED

THERE are many indications of the substantial recovery of the farming industry in Western Canada. The Regina Leader in a recent issue said:

> Alberta farmers have already carried balanced farming to the point where they no longer fear a crop failure, according to a well-posted Albertan. Saskatchewan is headed in that direction. Alberta now expects more dairy products than all but one of the other provinces. Saskatchewan is forging ahead in dairying. All these factors combine to make the outlook for the farmers not only cheerful but more certain; and that is what is bringing back to the farms men who left them when agricultural prices slumped so badly a few years ago.
>
> The Assiniboia Times prints a list of no less than six farms that have been recently purchased in its immediate vicinity. Other farms have been leased. There is a greater demand for farm land than has been experienced in some time. The amount of land sold by the Canadian Pacific Railway last year was greatly in excess of that disposed of in 1923 and both of the railway companies are reported to be looking forward to doing a still larger land business this year. When men purchase farms to work them they do so because they believe they can make money out of farming. This renewal of confidence in farming in the prairie provinces is the best advertisement Western Canada could have in those countries from which immigrants are especially desired.

With the progress that has been made, and is now being made in the re-establishment of agriculture in the prairie provinces on a sound footing the proposals for government farm loans now before parliament can only have a disturbing effect. Recovery was for too long retarded by the various experiments in paternalistic legislation and cheap money schemes. But the great body of the hard-headed farmers soon found that the alluring short-cuts were only taking them deeper into the woods. They realized that the solution of their problems was in that production which would show net profits, and so went in for mixed farming. Already the benefits are in evidence and these benefits are increasing. It would be unfortunate to again raise the false hope that government credit can provide the basis for easy profits. If there is need for additional long term loans, and if there is a credit basis on which they can be made, then the existing financial institutions with their established machinery should be able to take care of the situation with whatever co-operation from the government which may be justified without adding to the burdens of the taxpayers.

EDITORIAL NOTES

THE Third International which is being held responsible for the cathedral bomb outrage in Sofia, with serious loss of life, is the same Red organization which has been taking an interest in the activities of radical labor organizations in Canada.

* * *

DURING the past three years over 100,000 persons, mainly small investors, have purchased more than 800,000 shares of stock of the American Telephone and Telegraph Company at the market price, involving an investment of about $100,000,000. This illustrates how public ownership can be developed on a sound practical basis.

5,500 Mile Tour Gives N.C.R. President Confidence in Canada

Head of Big American Company Goes Over the Ground to Find Out What the Actual Business Conditions in Canada Are To-day

The accompanying article is published in the belief that it contains a real message for Canadians. The conclusions presented are those of a business man who took the trouble to find out for himself what conditions are and what may reasonably be expected of the future.

Frederick B. Patterson, as the head of The National Cash Register Company of Canada, Ltd., and of the parent company in the United States, has had an unusual opportunity to study world conditions at first hand. Despite the good records that his company has made in Canada, he did not feel that its progress was as rapid as it should be. He wanted to find out why. So he made a 5,500 mile trip through Western Canada. He left Canada with certain definite conclusions and more thoroughly convinced of its possibilities than when he started. In this article he gives some of the facts he found and conclusions he reached.

I have just completed a 5,500 mile trip through Western Canada, studying the territory and analyzing business conditions. I was accompanied by S. C. Allyn, our comptroller.

Our company has had a problem. We felt that our business in Canada was not going forward as fast as it should and we decided that the way to solve the problem was to find out what was holding us back. We determined to secure this information at first hand. The trip covered a period of two weeks. We traveled at night devoting all of each day to interviews. We talked with bankers, merchants, farmers, wholesalers, land agents, government officials—anyone who could give us the information we were seeking. We attended chamber of commerce meetings and other business gatherings.

We found on this two weeks' trip certain things that are undoubtedly handicaps, some of them a long way from being solved, but we discovered a number of things which can easily be remedied so far as our own business is concerned.

It is the usual thing to blame conditions for poor results, but during our 41 years in business we have developed a policy which has been of great help. It is this—not to be so much concerned about conditions on the outside as upon the condition on the inside of our organization. Believing in this policy, we were not satisfied that conditions represented the only answer to our problem in Canada. We believed the trouble was that we did not have the proper facts nor all of the facts. That was the reason for this trip.

Conditions Misrepresented

There is much misunderstanding on our side of the line regarding the actual conditions in the Dominion. For example, I have heard a number of stories regarding people leaving Canada, of cities being reduced in population. Yet, as soon as I made a study of the Dominion's Bureau of Statistics, I found that there had actually been an increase in population of 5 per cent. in three years. It was very interesting to learn that every province, with the exception of one, had increased in population. It is true that certain cities in Western Canada have decreased in population, but it must be remembered that they reached their peak through a very unnatural stimulation. Had these cities followed their natural, orderly growth, it is altogether likely that their condition to-day would have represented their normal growth instead of being looked upon as a "letting down" through a comparison with the peak of a few years ago.

It is true that Canada needs more people. With her vast territories and great resources and the opportunities which exist on every hand, hundreds of thousands of additional citizens could be absorbed with great profit to Canada and to themselves.

Capital Has Faith

Capitalists outside of the Dominion have shown great faith in Canada's future. I found that up to, and including, 1924, outside capital had invested over four billions of dollars, compared with about two and one-half billions in 1915. That is an increase of two billions of dollars in less than ten years. I appreciate the fact that interest rates in the Dominion are high, but it is natural that they should be. Canada not only needs more people, but it needs more cash.

There is a great need for more mills and factories. The Dominion has plenty of raw material. Yet we find logs being shipped to the United States and lumber imported in return. Ore is sent to the United States for smelting. Pulp is exported and paper imported. A greater abundance of capital will make all this unnecessary.

The return of the pound sterling to par means a stimulation of capital in all branches of industry and commerce. The improved condition in Europe cannot help but bring a better market for Canadian products.

We were greatly interested in talking to farmers. We were glad to get their opinions of the benefits of the Western wheat pool. It seems that sixty per cent. of the farmers are in the pool. During the week in which we visited Winnipeg, $30,000,000 was paid farmers on last year's crops. Another payment is due in June. The distribution of this huge amount of money is enabling the farmer to pay his debts. It stimulates trade in every direction.

We made it a point to interview bankers in every city we visited. Bankers, because of their business, must know the facts about a city, a province, or the Dominion itself. We were told that savings accounts are increasing both in number and in the amount of deposits; that collections are better.

Farmer is Fortunate

I know of no country in the world where there is as great a variation in resources and products as in Canada. Nowhere else is there as much territory capable of cultivation so close to markets. The farmer in Western Canada can produce his crops on land costing $25 an acre, as against a cost of $250 an acre in the United States.

The West, of course, depends upon agriculture. While wheat is the principal crop, barley, oats and flax are playing their part. The dairy interest is an enormous one and fruit brings in a big revenue.

It is common knowledge that practically two-thirds of Canada offers possibilities for the miner. There is an almost unlimited variety of minerals, ranging from precious metals to coal, iron, copper, lead, zinc, oil, and others. Clearly there are resources that as time goes on will cause the world to turn more and more to Canada.

The world does not realize that there are 400,000 square miles of standing timber suitable for commercial use in the Dominion.

As our trip progressed, certain thoughts that had started with our first interviews received more and more emphasis. Whenever we asked what Canada needed most, we received opinions very much along one line, expressed in the three words—men, money and courage.

We went into a cigar store in Winnipeg. The owner's profit for 1924 has been one that would stamp any business as a success. We asked him how he did it. He said: "I start early and work late. My store is open at 7 in the morning. When there is business to be had, I am ready to get it." I could not help contrasting this man's attitude with that of other merchants whom we met. Instead of listening to complaints about business, or being satisfied with the business that just naturally drifted in, this man had courage and determination. He wasn't afraid to work hard or long hours. He believed in better times and he worked to make better business a fact.

Fruits of Confidence

During the course of our trip we visited many department stores. One in particular stands out in my mind. It had wonderfully attractive windows. The displays were in good taste. They were original. They were extremely simple, yet each one stood out in a way that showed it had been arranged by someone who understood window dressing. The entire outward appearance of the store was attractive. When we stepped inside, we found that the interior of the store was just as good as the show windows. There was a business air about the place. Every salesperson seemed alert, anxious to serve. The store was not only prosperous, but it looked prosperous. The manager said that the store had closed a very profitable year and he made the statement that in the 15 years of its existence it had never had an unprofitable one. The reasons were that the owner had instilled confidence into his people, had adopted many new ways of doing business and had met unusual conditions with unusual methods.

I mention these as illustrations of the kind of spirit that will help any business or individual to rise above conditions.

Knowing that the value of our trip was dependent upon our own ability to find our problems and then to apply a remedy, our task was to discover what we could do in Canada to make our business grow more quickly than it had in the past. We found that in common with many other manufacturing concerns in the United States, we had been going along for

(Continued on page 11)

Public Evidently "Fed Up" With Government Ventures in Business

Lack of Enthusiasm Shown for the Tory Plan of Government Loans in Press Comments — Danger of Losses to be Borne by Taxpayers is Brought Out

Although proposals to have the government do things for the people usually meet with a popular reception it is a rather remarkable fact that the recommendations of Dr. Tory to the Dominion government to go into the farm loan business have not met with any general endorsation by the Canadian press. While some of the editorial comments in papers which are socialistic in tendency endorse the plan, a number of leading journals are frankly opposed to having the government enter the mortgage field with national funds and others suggest that the government should go very carefully in any project of this kind. It is quite evident from the comments that there is a growing public opposition to having the government enter into business projects which so very frequently—because of political interference or inefficient administration—result in losses which must be borne by the taxpayers.

While the Tory plan is designed particularly for the benefit of Western Canada, a leading Western paper, the Winnipeg Tribune, takes the stand that, in view of other experiments in the same field, it would be nothing but folly, with the national debt already increasing at the rate of millions a year, to try out the Tory plan. The Tribune says in part:

> Lending money on farm mortgages repayable on amortization terms or otherwise is a highly competitive business in which the rates and conditions are in the long run determined by practical experience. The government would be justified in becoming a competitor in this field if it could actually provide a more efficient means of relation between lender and borrower. Experimentation on a national scale in the face of the plain failure of lesser experiments would be nothing but folly with the national debt already increasing at the rate of millions a year. The government would perhaps do well to set aside a small area—say one rural municipality—as a testing ground for some of these schemes of economic salvation. It is time the political and social sciences were placed on an experimental basis if only for the purpose of putting an end to fruitless discussion of principles and fundamental economic laws which have no existence anywhere except in the brains of theorists.
>
> A federal rural scheme in the United States has been the incubator for one of the republic's outstanding recent scandals, its administration having been made a happy hunting ground for political patronage of the worst sort. The scheme in the United States did not bring any general reduction of interest rates and the same may be said of the Canadian scheme. The common characteristic of all the schemes so far devised is that the government takes the risk and the taxpayer is the loser.

Repayment is Avoided

The Vancouver Province points out that one of the great difficulties in connection with government credit is to get the loans repaid:

> There is one serious difficulty, however, regarding government loans as the provinces which have dabbled in credit have discovered. It has to do with a curious twist in human nature, much the same thing which allows a man otherwise honest to smuggle goods or to evade paying taxes. Persons who would never think of violating the terms of a contract with a corporation or a private individual have often no scruples about taking undue advantage when the creditor is the government. So there is sometimes trouble in securing prompt payment of interest and principal and of course if a credit system is to be operated economically and efficiently payments must be promptly made.

Manitoba's Lesson

The Kingston Standard believes in giving agriculture every possible assistance but says that any scheme should be closely examined into. It points ont that the Manitoba Government concedes a loss of $669,202 on outstanding loans aggregating $2,442,100 to the 74 rural credit societies in Manitoba. The report shows that 449 borrowers abandoned their farms and that 44 societies are now being handled by the provincial administrator.

Must Be On Sound Basis

The Lethbridge Herald is impressed with Dr. Tory's ideas but emphasizes the need for a businesslike organization.

> In what Dr. Tory proposes there is at least the groundwork for an act to deal effectually and in a statesmanlike way with the problem of what resolves itself into national credits of the long term period. He gives valuable suggestions as to credits other than these. The whole thing hinges on practical machinery for solving a problem on the businesslike solution of which so much depends.

The Orangeville Sun refers to the difficulty of securing payment of obligations to the government: "If a credit system is to be offered economically and efficiently, these details must not be neglected."

Some Other Observations

The Edmonton Bulletin guardedly expresses the opinion that the investigation and report of Dr. Tory has achieved one purpose. It has submitted facts for suppositions and a definite basis on which the provincial authorities can judge the workability of farm loan projects. The Manitoba Free Press, without commenting definitely on the Tory recommendation, expresses itself as in favor of a central bank of rediscount equipped to rediscount both for commercial banks and for farm credit and mortgage associations and financed by money obtained by the issue of debentures, as a solution of the whole complex problem. The Free Press considers that the key to the difficulty lies undoubtedly in the supplying of adequate rediscount facilities. The Montreal Gazette points out that the Tory plan means an addition of $10,000,000 to the national debt, adding:

> The adoption of the plan will add another to the businesses in Canada that look to the public for help to make a profit for those who conduct them. It will require study of the whole report not by theorists but by practical men of affairs who will look at the question involved from all sides before it is acted upon.

The Ottawa Citizen, which favors practically all plans to change the existing order, endorses the Tory report in that it is one step to change the present system of controlling capital which it thinks is in the interest of the big corporations rather than the public. But the Fort William Times-Journal, interested as it is in the developement of the wheat industry, is rather dubious as to whether the government can improve on the present financial machinery.

> Dr. Tory suggests that the federal government borrow the required sum on its own credit, that it be advanced to the provincial governments on their guarantee—presumably of principal and interest—and then loaned to the farmers. While the bonds will be backed by the Dominion and secured by the provinces it is also of prime interest to the taxpayer to be assured that the province will be absolutely secured against loss, through the careful selection with which the loans are made to farmers. Can the government do any better, having proper regard for the security of the loan, than is now being done by banks and loan companies?

CANADA
PROVINCE OF QUEBEC
DISTRICT OF HULL

CITY OF HULL

Official Call for Tenders

Public notice is hereby given that the Council of the City of Hull will receive from now until four o'clock p.m. Tuesday, the 28th day of April, 1925, at the office of the undersigned to be taken into consideration by the City Council at eight o'clock in the evening or immediately after such hour as soon as the council will be ready for the opening of the tenders, written tenders for the purchase of $200,000.00 debentures of the City of Hull, with coupons attached for interests, issued for local improvements as sewers, sidewalks, pavements, waterworks, implements, etc. Said issue of $200,000.00, namely 200 debentures of $1,000.00, being a portion of the total issue of $650,000.00 authorized by the By-law No. 246 of the City of Hull. Said debentures and interests are payable at the branches of the Provincial Bank of Canada, in Montreal or in Quebec or at the City Treasurer's Office in the City of Hull, Que.

Debentures dated 1st November, 1924. Maturing 1st November, 1945.

Interest payable semi-annually on the 1st of May and November each year.

An accepted cheque representing one per cent. of the issue must accompany each tender. The cheque accompanying such tenders which will not be accepted shall be returned immediately.

All tenders must mention if the price includes or not the accrued interest on the coupons at the time of delivery from the 1st of November, 1924. They shall be under seal with the indication "Tenders for debentures" and addressed to the "City Clerk," Hull, Que.

Delivery of said debentures shall be made at the City Treasurer's office at Hull, Que., or through a chartered bank in the City of Hull or in the City of Ottawa, as may be desired by the successful bidder.

The present issue has received the approval of the Lieutenant-Governor in Council of the Province of Quebec, on the 30th day of December, 1924.

The City Council does not bind itself to accept the highest or the lowest or any of the tenders.

Given at the City Hall in the City of Hull, on this 6th day of April, 1925.

H. BOULAY,
City Clerk,
HULL, Que.

NOTICE OF DIVIDEND

Famous Players Canadian Corporation Limited

Notice is hereby given that a dividend of $2.00 per share for the quarter ending the 1st of May, 1925, has been declared upon the First Preference Stock of the Company, payable the 1st day of June, 1925, to shareholders of record the 30th of April, 1925.

By order of the Board,
N. L. NATHANSON,
Managing Director.

Dated at Toronto the 15th day of April, 1925.

The Northern Mexico Power & Development Co., Limited

DIVIDEND NOTICE

Notice is hereby given that a dividend of 7%, covering one year's accrued dividends to 1st January, 1924, has been declared on the preference shares of the Company, payable on the 4th day of May, 1925, to shareholders of record at the close of business on the 24th day of April, 1925.

T. A. SPOOR, Secretary.
Toronto, April 17th, 1925.

Canada Cement Company Limited

Preference Shareholders

DIVIDEND No. 61

NOTICE IS HEREBY GIVEN that a dividend of 1¾% for the three months ending March 31st, 1925, being at the rate of 7% per annum on the paid up Preference Stock of this Company has been declared, and that the same will be paid on the 16th day of May next to Preference Shareholders of record at the close of business April 30th, 1925.

H. L. DOBLE,
Secretary.

Montreal, April 15th, 1925.

McIntyre Porcupine Mines, Limited

(No Personal Liability)
DIVIDEND No. 26

NOTICE is hereby given that a dividend of five per cent. (5%) on the issued Capital Stock of the Company will be paid on the 1st day of June, 1925, to shareholders of record at the close of business May 1st, 1925.

By Order of the Board.
BALMER NEILLY,
Treasurer.

Dated at Toronto, April 17th, 1925.

QUEBEC POWER COMPANY

Notice is hereby given that a dividend of One and one-quarter (1¼%) per cent. has been declared on the Common Stock of the Company for the quarter ending March 31st, payable May 1st, to shareholders of record April 22nd, 1925.

By Order of the Board.
JAMES WILSON,
Secretary.

Montreal, April 15, 1925.

Balance of Shares

The Brantford Cordage Company, Limited

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First Preferred Sinking Fund Cumulative Participating Preferred Shares

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The total net tangible assets of the Company, as certified, amount to $2,517,832, and the net earnings after depreciation and Federal taxes for the past five years have averaged $269,584.33, which is at the rate of 13.4% on the first preferred stock.

The Company has recently increased its productive capacity by 50%, which will enable it to participate in a larger way in all markets. Having regard to the increased capacity, and according to the orders on hand, the President advises us that the net earnings for the year ending August 31st, 1925, should not be less than $500,000—or 25% on this First Preferred Stock.

There are no bonds outstanding. This Preferred Stock is the prior obligation of the Company.

THE PRICE IS $25 (PAR) AND ACCRUED DIVIDEND PER SHARE. QUARTERLY DIVIDENDS ARE PAYABLE AMOUNTING TO $2.00 PER SHARE PER ANNUM. THE YIELD TO THE INVESTOR IS AT THE RATE OF 8% PER ANNUM.

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Investors' Enquiries

Questions of general interest submitted by subscribers of The Financial Post will be answered in this column, in which case only initials will be used. Other inquiries will be answered by mail. A three-cent stamp should be enclosed to cover a direct reply.

OTTAWA AND HULL POWER

Banker, Sudbury.—We would appreciate the expression of your opinion on Ottawa & Hull Electric Power preferred as an investment.

We would consider Ottawa and Hull Power preferred a good business man's investment. Under the new management the company has enlarged its production and is selling more power and seems to be assured of a prosperous future.

BLACK CHROME AND ASBESTOS

Banker, Hamilton. — We would like your opinion of Black Chrome and Asbestos Mines.

The Black Chrome and Asbestos Mines are included in the layout for the proposed merger of asbestos companies. In the event of the merger going through the bond holders of this company and the Asbestos Mines are likely to receive a certain amount of preferred stock for their holdings. If the merger does not go through the outlook is not bright for the shareholders of either of these companies, the likelihood is that the banks that have financed the companies would have to come to their support.

HOWARD SMITH PAPER BONDS

Banker, Saskatchewan.—Do you consider that the first refunding seven per cent. bonds and preferred shares of the Howard Smith Paper mills are a good investment?

Howard Smith Paper Mills seems to be facing improved conditions. For a long time it was busy expanding its plants and invested something over two million dollars in a comparatively short space of time in new timber limits, new machinery and new buildings. At the same time a high dividend rate was maintained on the common stock and thus the company's working capital was reduced to a point which, while not dangerously low, was below that felt to give ample security to the bond interest and preferred stock dividend. The general decline in business throughout the country later made necessary a reduction in the common stock dividends, and for some time there was some doubt felt as to the security of the preferred stock dividends. At the moment this dividend seems to be assured, and if the company's affairs are indeed on the move upwards, the bonds and preferred stock are both to be well regarded.

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SECURITY MARKET OUTLOOK

A. M., Orillia. — I would like your opinion of the market outlook for Canadian and American stocks.

It would be very difficult indeed to express in brief a useful opinion on the future financial outlook for Canadian and American stocks in general. The best opinions that I have seen recently indicate that business is in a very unsettled state as reflected by the strength of some stocks and weakness of others. It is suggested that the wise investor will make his selections for the time being in accordance with the earning power and prospects of the individual companies, rather than with any idea of a broad movement in investment values one way or the other.

However, if you are a subscriber to THE FINANCIAL POST, you will find each week a summary of the best available opinion on the situation and prospects.

CANADIAN LIGHT AND POWER

I. M., Quebec.—Could you please give me some information and your opinion of Canadian Light & Power five per cent. bonds, due 1949? Is not this the company that owns plant at St. Timothee, Que.? And are these bonds a good investment now that Montreal Light, Heat & Power and Shawinigan Power control the company through control of Montreal Public Service Corp.? Why should they be selling so low, ask 55½ and bid 54½?

Well-informed opinion is to the effect that Canadian Light and Power bonds are not likely to be worth much more than the present price of about 55, and a number of houses are advising their clients to get out of the issue. The bonds have not been particularly strengthened by the acquisition of the company by United Securities Corporation.

The fact of the matter is that the plant is not earning its bond interest and it is being seriously considered by the new controlling interests whether they should continue to pay out bond interest that is not being earned. They have engineers at work on the property now, and there should be a report available in two or three months on its prospects. When this report appears, the owners will probably decide on a course of policy which might conceivably involve allowing the property to be taken over by the bondholders or as an alternative asking the bondholders to accept a smaller amount of bonds for their present holdings, which would reduce the interest charge.

But nothing definite can be advised before the engineers have completed their report.

GAMBLING IN MARKS

D. W., Saskatchewan.—I would be extremely grateful if you would be so good as to give me your advice on the following subject: namely, the position and possible future of Germany's trade and rate of exchange. As I understand it, the Dawes report is based on the assumption that old bonded debt has been cancelled, and, therefore, the only German bonds worthy of purchase at present are the late 7's, 1949. However, as prospects industrially appear brighter, do you think one is warranted in taking a small gamble on the mark, by way of shares in one of the leading banks? What is the present position of German banks? How would one go about purchasing such shares, and are there any reliable houses in Canada or the United States handling such business? Are the indications such that the mark will be stabilized at much lower levels than old par value? Have the German banks been re-organized and made complete new issue of shares?

In the attempt of the German Government to re-value currency and securities, in general, on a gold mark basis, banks and industrial corporations have been obliged by law to write up their balance sheets in gold marks in the ratio of 1,000,000,000,000 paper marks to 1 gold mark valued at approximately $0.282. This meant, of course, a revaluation in gold marks of all assets and liabilities, including capital and reserves, and resulted in a radical scaling down of the paper mark capital. It is said that banks have had to make a most drastic scaling down, as their chief pre-war asset was their own liquid capital loaned for advances and discounts and the gold value of this capital had rapidly dwindled during the period of depreciation.

From further information which we have received, we would not care to recommend the purchase of German bank shares, payable in marks. Regardless of the improvement in German industrial conditions, we regard these investments as highly speculative.

BRITISH PETROLEUMS

O.B., Edmonton—I would like you to advise me re the British Petroleums stock. Do you consider it a good investment? It is unofficially reported that the C. N. Rly. recently made tests of British Petroleum's oil from Wainwright for fuel purposes and were very satisfactory.

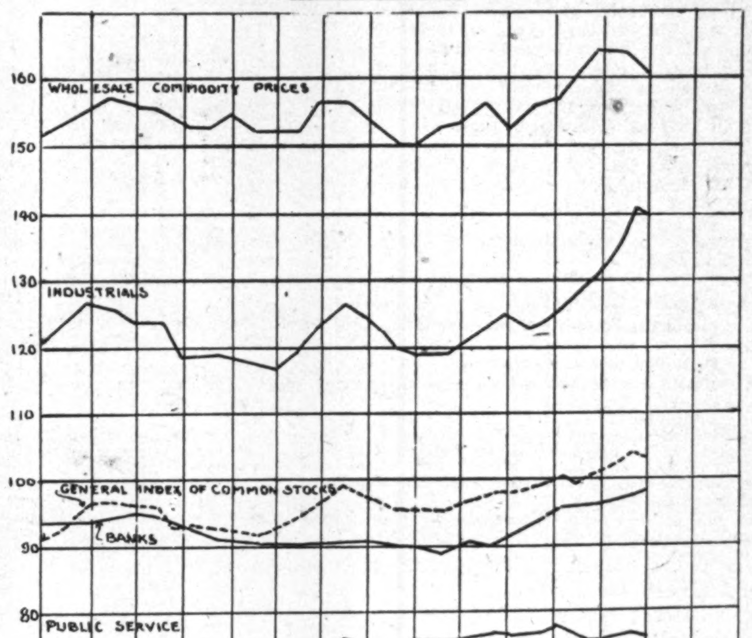
Sorry for delay in answering your inquiry re British Petroleum Oils of the Wainwright field. Since then we have had several similar inquiries, some covering the whole Alberta field, and it was our desire to get as accurate information and advice as it was possible, before voicing an opinion.

Present indications do not favor the Wainwright field as a large producer of oil, although this year will see a considerable drilling going on by small operators, and no one knows what will be the outcome. Undoubtedly there are still oil possibilities in the field, but to a certain extent these have been discounted, first because there have been wells drilled there that have not been a success; secondly, because the wells producing are not large and the crude oil is of low commerical value. It is to be regarded as significant that Imperial Oil is not carrying on further drilling in this field. All "wild-cat" oil propositions are nothing more than gambles, and in the case of British Petroleum's the gamble seems to have lost considerable of its attractiveness.

The success of Imperial Oil in the Turner field near Calgary has been very encouraging and warrants the expenditure of considerable funds to prove or disprove the existence of a high gravity oil field or a wet gas field. Indications are that it is either that has been opened up by Royalite Well No. 4, but it will hardly be known just which until Royalite wells 5 and 6 which are soon to be started, are completed.

There are some other prospective fields in the southern part of the province that warrant attention as well as a further testing out of the Peace River.

Security Values Did Not Follow Commodity Prices



TREND OF COMMODITY AND SECURITY PRICES 1913=100

That the prices of Canadian industrial and other securities have not risen relatively with wholesale prices during the war and post-war period is shown by a study made by the Dominion Bureau of Statistics, and illustrated in the accompanying chart. On a basis of 1913 prices, =100, wholesale commodity prices are now more than 150. Public service common stocks are about three-quarters of 1913 values. Bank stocks are about equal to pre-war values, and industrial common stocks are 40 per cent. above them.

According to the Bureau's analysis the index of public service stocks is depressed by the low level of steam transportation and municipal railway stocks, while the industrial stocks index is depressed by the effect of iron and steel, iron and steel products, and construction stocks. It is interesting to note that the index numbers of bank and public service stocks, during the last two years, fluctuated within a ten-point limit, while those for industrial stocks register a movement of 24 points. Wholesale prices during the period moved within a 15-point limit.

5,000 MILE TOUR GIVES PRESIDENT CONFIDENCE IN CANADA

(Continued from page 10)

years, satisfied with the business we were getting from Canada, or if not satisfied, accepting conditions with an occasional complaint, but never going into the matter thoroughly to find out what was wrong.

New Interest in Canada

Here in the United States we are constantly making a most intensive study of everything that affects our business. We work early and late. Our office force at the factory, including every official of the company, starts work every day at 7.30. We never take more than an hour for lunch. We are constantly holding meetings, always with the one thought in mind, namely—What can we do that we are not doing to get more business? We have never omitted to include Canada in these discussions, but the trouble has been that Canada to us always seemed like some far off place, whereas with the United States we were more at home. We could jump out into the territories any moment and we could have a more frequent and intimate contact with the field representatives in the United States than we could with those in the Dominion.

As an example of the close way in which we co-operate with our men in the field, I want to mention the fact that none of us are desk executives at Dayton. About fifty per cent. of my own time, and that of other officials of the company, is spent out in the field visiting the sales agents and salesmen, going from office to office, or holding meetings at central points. In the winter months we do this by using the trains. In the summer we not only use the trains, but we use automobiles to enable us to reach the smaller cities and towns. We investigate business conditions in these places. We discuss business with our men. We meet with the heads of retail stores and we do these things at very frequent intervals.

Now in Canada it is quite different. It has been only at limited intervals that our officials have visited Canada. It is true that we have made fairly frequent trips to cities like Toronto, Montreal and Quebec, but it is seldom that we have made a personal study of business affairs in Central and Western Canada.

Getting After Business

In analyzing the reasons, therefore, for our failure to make the progress that we know could have been made, we could put our finger on a number of very definite things that must and will be corrected. We found that we have not had the proper contact between the members of the Canadian selling force, our Canadian headquarters at Toronto and our United States headquarters at Dayton. We learned that we need more men in Canada and that we must arrange to have better trained men, men better equipped to serve merchants as merchants should be served. We need more agencies. We must develop a greater force of specialists to consult with large department stores, the banks and big financial institutions. We must develop ways and means of attracting a higher grade of men. We must spend more time ourselves in Canada so as to get that close and constant touch similar to the condition which exists here in the United States.

The one big thing that we must constantly have in mind to do is not to look upon Canada as some distant place, such as we would if we were thinking of a foreign country, but to look upon it just as we do the Atlantic coast, the Southern states or the Pacific coast, but to consider it as just one part of our American activities.

We know it isn't as easy to travel in Canada as in the United States. We appreciate the fact that cities are farther apart and that the greater part of the year travel is a hardship. But we don't propose thinking in those terms. We have permitted ourselves to pay too much attention to conditions. We have made conditions an excuse. All of these things were our own fault. Conditions had nothing to do with it. If conditions were at fault, then it was 40 per cent. conditions and 60 per cent. our own shortcoming.

We are going to put a stop to all this. Canada from now on will receive more of our attention than it has had in our entire career. We are going to make a careful study of Canadian needs and conditions and find out everything we can do that will enable us to help Canada, because in helping Canada we can help ourselves.

We know that the Dominion is fundamentally sound. We appreciate more than we ever did how tremendous are its resources, and this trip showed us that the people have the spirit to succeed and the willingness to do anything within their power to build up the Dominion's prosperity. This company will have its share in this work. And from now on Canada will receive the attention from us that the Dominion has always deserved, but which we in our ignorance have not given to it.

It would be a great thing if the representatives of the big United States' industries would make a trip similar to the one just completed by Mr. Allyn and myself. It would show them the importance of Canada as a future market and give them an insight into the resources, the spirit of the people, and make clear to them the opportunities for business which exist in every part of the Dominion.

Current Opinion

TOO MANY AMERICAN FLAGS FLAUNTED IN CANADA

Telegram, Toronto: Picture post card of the Royal Mint at Ottawa showing the Stars and Stripes fluttering on the flag pole is not an inspiring sight for loyal Canadians.

There is no reason to suppose that it was designed under instructions from Hon. W. L. M. King. It is probably the product of some ambitious but ignorant publisher in the capital city.

Canadians are very tolerant of American flags flaunted in Canada, but it is time to draw the line when pictures of government institutions are circulated displaying the national emblem of a foreign country.

TOWARDS CANADIAN UNITY

Kamloops Sentinel: The action of the Toronto board of trade in asking all the boards of trade of Canada for suggestions looking to the elimination of sectional jealousies and the creation of a real Canadian spirit is one worthy of the highest commendation. That such a movement should have emanated from Toronto, the Queen City of Ontario, is conclusive evidence of a growing realization on the part of that section of Canada which gained most from confederation, that the eastern and western sections have not fared so well as the central provinces, and of a readiness to make some sacrifices that all may prosper alike.

It is well that Toronto has taken the lead. Let us lay our troubles before our fellow Canadians of the central and eastern provinces, and let them submit to us their side of the question. Temperate discussion can do naught but good; and when all has been said that can be said, moderately, firmly and wisely, each section presenting its case dispassionately and listening sympathetically to the others, some way will undoubtedly be discovered whereby the burden may be eased, and each province can go on its way, building up a nation within the British empire that shall continue to be what it has been in the past, a great consummation of the work of the Fathers of Confederation.

HIGH COST OF DYING

Vancouver Sun: Vancouver Publicity Bureau's protest against the high succession duties in British Columbia should be echoed and re-echoed by every wideawake person in the province.

The truth is that dying in British Columbia has got to be so expensive that the elderly retired people of means are giving this province a wide berth.

No wealthy man is going to settle down in a place to spend his declining years if the laws of that place will rob his children of 25 per cent. of his wealth when he dies.

It is a tremendous pity that British Columbia is afflicted with an unreasonable succession duty of this kind, because in the ordinary course of events this province, with its mild, healthful climate, would be a veritable Mecca for elderly retired people.

Florida has recognized the iniquity of high succession duties for some years. In that state they have been entirely wiped out. Nevada has lately done the same. Oregon has suspended succession duties for 20 years. California and Washington are expected to fall in line.

The argument of these states is that the district with no succession duty attracts so many retired people with wealth that the increased income tax more than makes up for the loss of the succession duty. That argument has been proven sound in Florida.

Abolition of succession fees, instead of reducing the province's income, would materially increase it.

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News and Views of Bond Market

BIG PROVINCIAL ISSUES TAKEN UP QUICKLY IN N.Y.

United States Market is Increasingly Receptive to Canadian Bonds

The outstanding feature of the bond situation this week is the large demand for Canadian bonds in the New York market as reflected in the number of issues going that way. Easy call money has helped the market to harden somewhat and the Canadian issues are considered attractive. At the same time, there is a firm undertone in the Canadian market, and well secured bonds paying 5 per cent. or more are easily absorbed.

The leading issue of the week is the Ontario financing to the extent of $20,000,000 which, like that of Alberta, received what is considered a very favorable price on the New York market. The bonds which were 3½ per cent. treasury bills, maturing half next year and the balance the following year were sold to Blair & Company and the Equitable Trust Company of New York at a price of 98.6533 which is a cost basis to the province of 4.42 per cent.

Another Canadian issue which will go to New York this week is the Manitoba loan which will amount to $5,500,000 of which $3,000,000 will be two year money at 4½ per cent., $2,500,000 two year money at 4½ and $2,500,000 twenty year money at the same rate.

The interest of the United States investors in Canadian bonds is shown by the fact that during the first quarter of the year Canadian borrowers obtained approximately $67,000,000 which is at the rate of more than a quarter of a billion dollars annually. The second quarter, moreover, has started out with very much heavier borrowing, and apparently a more favorable reception. It is interesting that Canada was responsible for nearly a quarter of the total borrowing that was done in the United States market during the period. Despite all that is heard about the amounts borrowed by Europe and South America, the grand total of European borrowings for the first quarter of the year in the American market was $139,000,000 and the total borrowed by all South American countries combined was $56,000,000, or considerably less than what Canada alone borrowed. A comparison of the prices paid by the various borrowers at the present time, moreover, shows the high rating which Canadian securities have in the United States. The recent upward turn in sterling indicates that it may not be long before the United Kingdom is once more an active bidder for Canadian loans.

Jarvis Fine Disposal Subject of Controversy

The payment into court of the $60,000 fine imposed upon Aemilius Jarvis, immediately prior to his release after completing his six-months' term, is likely to be the cause of a heated legal battle between the city of Toronto and the province of Ontario. The city has already served notice, signed by Mayor Foster and Deputy City Treasurer Black, making formal claim upon the money on behalf of the city.

Dominion legislation of some years ago makes provision that if a fine should be levied, with the municipality responsible for the administration of justice, such fine would revert to the municipality rather than to the province. It will probably be the stand of Ontario, that such enactment was outside the rights or jurisdiction of the Federal government.

The notification made by the city was served at the attorney-general's department and at Osgoode Hall. It read in part as follows: "Take notice that in case the fine is paid over to any of you, the corporation of the city of Toronto will hold the one to whom such fine is paid responsible of its payment over to the city, in accordance with the provisions of the Criminal Code."

Wayagamack First's Have Risen to About 88

From Our Own Correspondent.

MONTREAL.—There has been a good demand for Wayagamack's first mortgage bonds—the 6 per cent. bonds due in 1951—and investors have had to pay around 88 of late to get hold of the issue. As it was put out in March, 1922, at 77.50 the rise represents a real advantage to the holders.

At the present level the bonds yield about 7 per cent. as against 8 per cent. when issued.

Seed Grain Defaults Total About $5,700,000

Edmonton — The following are the amounts owing to the province by municipalities and improvements districts respectively for defaulted guarantees given by the province for seed grain, relief and feed advances, as at 31 December, 1924.

By Municipal Districts	
For seed grain	$2,268,405
For relief and seed	526,327
Total	$2,794,732
By Improvement Districts	
For seed grain	$1,801,872
For relief	1,094,705
Total..	$2,896,577
Grand total defaulted	$5,691,310

Those guarantees not yet defaulted are given as $651,673.60 for municipal districts, and it is stated that there are no guarantees outstanding for improvement districts.

TRAGIC NEGLECT OF CIVIC GOVERNMENT

Public Must Assume Control of Machinery of Nomination as Well as Franchise

Commenting on the lack of interest on the part of the general public in the real problems of civil government, in the city of Toronto, as elsewhere, Dr. Horace L. Brittain, director of the Bureau of Municipal Research, made the following survey of the outstanding features of the past year from the civic standpoint, at the annual meeting of that body:

The chief feature of the year, and a very disturbing one, was the tremendous amount of time and energy devoted by candidates for municipal office, before the civic election, to issues not connected or but indirectly connected with the efficient control of the city's business, and the relatively small weight given to discussion of city services from the standpoints of decreased cost and increased efficiency. That part of the city's business the cost of which is defrayed out of taxation, is under the direct control of the local legislative bodies elected by the citizens, and a campaign which results in turning the citizens' attention away from this field to other fields which are in the domain of other representative bodies, while it may serve the immediate needs of candidates, is disastrous to citizens' control of municipal business. If it should become necessary for his success that each candidate should have his own private "issue," the result might, in the long run, be disastrous to the taxpayers.

A second outstanding feature of the year, and an even more undesirable one, was that candidates who used the methods referred to above were justified in their judgment of what constituted good local politics by the results of their appeals for the confidence of the taxpayers.

A third outstanding feature was the phenomenally small vote on January 1st. Considering the fact that elected bodies spend annually about $30,000,000 of the people's money, it seems inconceivable that the effectiveness of the voting for mayor, board of control, city council and board of education respectively should be about 37.3 per cent, 25.3 per cent., 17.2 per cent. and 17 per cent.

Until citizens through their ratepayers' or other organizations have vigorously taken hold of the machinery of nomination, rather than contenting themselves with voting for or against candidates selected for them by others, and until the framework of municipal organization is so reconstructed that candidates for municipal office feel that they have a sporting chance of getting something worth while done in their term of office, a small percentage of the people will continue to nominate candidates and elect representatives who will spend the money contributed by one hundred per cent. of the people.

There is some reason for believing that the exceptionally poor showing of January 1st last was due rather to temporary conditions than to a sudden decline in public morale, and there are evidences that many thousands of voters have been shocked by the spectacular drop in the number of votes cast into a new appreciation of the value of the individual vote and of the tremendous responsibility which rests on a voter who does not exercise his franchise. A vote of 90,000 for mayor at the next election and a corresponding increase in the votes for the board of control, the city council and the board of education, while representing only 50 per cent. voting efficiency, would be an important first step in the fight to establish effective control of municipal expenditures by the citizens who pay the bills.

ECONOMY REFLECTED IN LEGISLATIVE ACTS

Reduction of Taxation Seemed to be Goal Most of Them Aimed For

A policy of economy is reflected in taxation measures which have occupied a large place in the deliberations of the various state legislatures of the United States for the 1925 session. New York has reduced state income tax and direct tax rates, applying to real estate, by 25 per cent. This repeats the reduction made last year. The state adopted a budget system expected to effect better organization of its state's business. This program is supplemented by a constitutional amendment, to be submitted to the voters at the November election, providing for reducing the number of bureaus and departments from 182 to 20. Of the 3,000 bills introduced in this one state legislature alone during the session just closed, 768 were passed. Approximately 300 proposed bills which were opposed by real estate boards as detrimental to real estate and to home ownership, have been defeated.

The problem of tax adjustment in Washington has been met by the creation of a State Tax Commission, composed of three commissioners, which shall have general supervision and control over the administration of assessment and tax laws of the state.

In Ohio, an amendment providing that real estate and tangible personal property be uniformly taxed at full value, but that moneys, credits, stocks and other intangibles may be taxed either by a classified property tax or by an income tax based on the earnings of such property, making the tax laws more elastic and adjustable, has been introduced.

Kansas has passed a bill providing for a fixed registration fee on mortgages of 25c. per $100, to be paid at the time of filing, thus relieving the mortgage from further taxation.

IMPERFECT CIVIC GOVERNING CAUSE OF HIGH TAXES

Municipal Research Body Accomplishing Much to Remedy Situation

The eleventh annual report of the Toronto Bureau of Municipal Research presented by John MacDonald, president, and Dr. Horace L. Brittain, Director, contains some valuable suggestions with regard to what is being done and what can be done to improve civic government. It is generally admitted that imperfect civic government has much to do with the unduly large costs of living and of production, and the only remedy is to be found in getting the voting public to take more interest in the problems of civic government and administration.

In addition to the work that is being done by the bureau, and the results that have been accomplished during the ten years of its existence, Dr. Brittain suggested the following other problems whose study is demanded in the interest of economy and efficiency:

1. Would a reduction in the membership of the City Council tend to produce greater service at less cost?
2. Would the abolition of the wards or the lessening of their weight in the City Council tend to reduce expenditures, diminish sectionalism and stimulate consideration of civic problems from the standpoint of the City as a whole?
3. Would a reduction in the number of civic departments tend to improve service, promote co-operation and reduce cost?
4. Would the election of members of the City Council for overlapping terms promote continuity of policy and save the City from losses due to the sudden adoption and reversal of policies?
5. Should a thorough survey be made of the organization and personnel of the Civic Service before any further additions are made to the huge and growing sum spent in salaries and wages and before any decision is made as to a pension scheme for civic employees, the establishment of which has recently been advocated?
6. Would centralized purchasing or price-getting for all civic departments and "Outside Boards" tend to save money for the taxpayers by concentrating the City's purchasing power?
7. Would such changes encourage busy citizens to offer themselves for service on the City Council and Board of Education?
8. Is it possible to bring about rapid improvement in civic organization and administration unless there is a radical improvement in citizen interest in nomination for and election to membership in the City Council and Board of Education?

Wheat Acreage in Alberta Will Be 10 P.C. Greater

From Our Own Correspondent.

CALGARY. — Spring farming operations are away to a good start in Alberta. In the northern portion of the province farmers are now busily engaged and seeding is almost general. Weather has been ideal, and with excellent moisture in the ground. There are indications that the wheat acreage will be increased 10 or 15 per cent. Last year the acreage was a little better than five million and a half acres.

UNLISTED BONDS
(Montreal Stock Exchange)

	Bid	Asked
Abitibi 6% 1940	100¼	..
Alabama 6% 1962	89	89¾
Algoma Steel 5% 1962	32	32½
Belding 5% 1936	85	..
Belgo Can. Paper 6% 1943	99½	..
Brand-Henderson 6% 1939	90	..
Burns, P. & Co. 6½% 1943	99¾	100¼
Can. National Rly. 5% 1954	99¾	100¼
Calgary Brewing 5% 1942	84	85
Can. Steamship Lines 7% 1942	98	98½
Can. Light & Power 5% 1949	54½	55½
Can. Pacific Rly. 5% 1934	99½	100
Can. Steel Foundries 6% 1936	100	..
Dom. Iron 5% 1939	..	64
Dom. Power 5% 1932	96	96½
Dom. Textile 6% 1949	104½	..
East Koot. Power 7% 1942	100¼	101½
Frontenac Brewing 6% 1951	85	..
H. Smith Paper 6% 1934	94½	..
Lake Sup. Paper 6% 1941	105	..
Laurentide Power 5% 1946	98½	99½
Laurentian Power 6% 1936	98½	..
Maple Leaf Milling 6½% 1943	103½	..
Man. Power 7% 1941	102½	103
Mattagami 7% 1949	30	40
Montreal Steel Works 6% 1940	100	..
Prov. of Ontario 5% 1948	100¾	101¼
Nor. Ont. Power 6½% 1931	97¼	98½
Ontario Pulp 6% 1931	106	..
Price Bros. 6% 1943	100½	100¾
Quebec Power 6% 1953	100¾	101¾
Shaw. Cotton 6% 1949	..	76
South Canada Power 6% 1948	102½	..
Spanish River 8% 1941	107	107½
St. Maurice Power 6½% 1953	105½	106
West. Koot. Power 6% 1943	102½	..
West Power 5% 1949	92¼	93

QUOTATIONS ON FOREIGN BONDS

British War Loan 5% 1927	$100-102
British War Loan 5% 1929	99½-102
British funding 4% 1960/1990	85-87
French Internal 4s 1917	25-28
French Victory 5s 1920	30-32
French Premium 5s 1920	35-37
German 5%*	1450-1550
German 4/5 Loan of 1922*	14-17
Prussian Consols 3½s	2-3
Berlin 4s 1922*	175-250
Berlin pre-war issues	9-12
Hamburg 4½s, 1919*	200-250
Hamburg pre-war issues	6-7
Deutsche Bank Stock	33-35
Krupp Ltd., 5%	2½-3½
Austrian Federal 6% 1922	9-11
City of Vienna 5s 1923	14-16

Quotations: French bonds per thousand francs, British per 120; German per thousand marks. * is million marks.

BOND MOVEMENTS OF THE WEEK
WEEK ENDING APRIL 21

BONDS	Int. Rate	Due Year	Yield	Range 1924 High	Range 1924 Low	Range 1925 High	Range 1925 Low	Latest Price Ask	Latest Price Bid	Latest Price High	Latest Price Low
Can. Felt	6	1940	6.14	97½	97½	98½	97	98½	—	98½	—
Cons. Rubber	6	1046	6.00	102¾	98¾	100½	95	100½	99¾	100	99¾
Montreal Trams	5	1941	5.31	95½	91	97	94¾	96½	95¾	96½	—
Ogilvie (A)	6	1932	5.30	104½	101½	105	104	—	103½	104½	—
Penmans	5	1926	6.07	99¾	95	98½	98	—	98½	98	—
Porto Rico	5	1936	6.43	85	83	88¼	85	—	87¾	88¼	86¾
Quebec Rly	5	1939	5.80	92	80	92	89¾	—	91½	92	91½
Rio Janeiro	5	1935	6.58	87	84	87½	82	88¼	87	87¾	—
Steel of Can.	6	1940	5.61	103½	103	104½	104	105	104	104	—
Wayagamack	6	1951	7.13	86	74	87½	74½	86¾	—	86½	—
War Loan	5	1925	3.90	100.95	100.15	101.15	100.20	100.65	100.55	100.60	100.20
Do.	5	1931	4.60	102.40	100.60	102.55	101.90	102.35	102.25	102.40	102.00
Do.	5	1937	4.54	103.85	102.20	104.55	103.80	104.20	104.10	104.20	104.00
Victory Loan	5½	1927	4.38	103.05	102.05	103.15	102.10	103.05	102.95	102.90	102.65
Do.	5½	1933	4.60	106.70	104.30	106.90	105.90	106.60	106.50	106.60	106.25
Do.	5½	1934	4.98	104.70	102.35	104.60	103.30	104.25	103.95	104.05	103.80
Do.	5½	1937	4.55	108.90	106.15	109.25	108.45	109.15	109.05	109.10	108.65
Do. Renewal	5½	1927	4.64	102.70	101.15	102.95	101.65	102.10	101.95	102.00	101.65
Do.	5½	1932	4.93	103.90	102.10	104.00	103.10	103.60	103.50	103.68	103.10
Do. Refund	5	1928	4.70	100.85	99.40	101.35	100.45	100.95	100.85	100.85	100.70
Do.	5	1943	4.79	102.85	99.00	102.55	101.20	102.35	102.25	102.50	102.00
Do.	4½	1944	4.77	97.15	97.00	96.85	95.10	96.60	96.50	96.85	96.35

New Issue—
The
Brantford Cordage Company Limited
First Preferred Sinking Fund Cumulative Participating Stock
($25 par value)
Price: Par and accrued dividend
Yielding 8%
MATTHEWS & CO.,
Limited
255 Bay Street, Toronto

MACKAY - MACKAY
306-7-8 C.P.R. Building,
Toronto, Ontario
Government and Municipal Bonds
in
Ontario, Quebec, New Brunswick
Nova Scotia

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SAFE INVESTMENT
GOVERNMENT, Municipal, Public Utility and Industrial Bonds.
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Write for List.
HANSON BROS
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160 St. James St. Montreal.
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BONDS
W. L. McKINNON & Co.
GOVERNMENT AND MUNICIPAL BONDS
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Why Not Share in the Profits

Of an old established Canadian Corporation with an International Trade.

A splendid opportunity to invest your money where it will be secured by a FIRST MORTGAGE and also share in the profits.

Amounts ranging from $100 to $1,000 accepted. Write today for circular S. P. 115.

H. B. ROBINSON & Co. Limited
Investment Bankers
35 King St. West TORONTO ELGIN 1224
260 St. James Street MONTREAL MAIN 8542

Imperial Oil

From a capital of $500,000 in 1881, Imperial Oil has expanded to a capital of 6,400,000 non-par shares having a market value of approximately $185,000,000. A consistent dividend-payer for 40 years, shares of this company justify the attention of the conservative investor and have considerable attraction for those who buy for price appreciation. Our "Analysis of Imperial Oil" explains why this stock should sell higher. We've a copy for you, free and without obligation. Phone or write for it.

Elgin 2151

F. R. Graham & Co.
Members Toronto Stock Exchange
293 Bay Street—Toronto

SELUWKE WANTS PREMIER

It has been confirmed that Seluwke Mining Co., London, is seeking to acquire control of Premier mine, Portland Canal, B.C. The Premier Mine has so far produced more than $16,000,000, and, according to those connected with the property, the prospects for future production are impossible to estimate.

Government
and
Municipal Bonds

We will be glad to furnish particulars and offerings upon request.

Gairdner, Clarke & Co.
312 Bay Street, Toronto.

We recommend

Brantford Cordage Co., Limited
First Preferred Sinking Fund Cumulative Participating Shares.
PRICE: $25.00 per share, paying dividends at the rate of $2 (8%) per share.

R. A. DALY & CO.
Members Toronto Stock Exchange
BANK OF TORONTO BLDG. TORONTO
50 CONGRESS STREET BOSTON

MORTGAGE INVESTMENTS
Moneys invested for Clients in the security of First Mortgages on improved farm lands and city properties in Western Canada.
OSLER, HAMMOND & NANTON, LIMITED
WINNIPEG

Bonds to Yield 9%

Mexican Light & Power
5% due 1940

Mexican Electric Light
5% due 1942

Apart from the high yield we believe these issues will sell at higher prices.

R. G. HOERNER & CO.
LIMITED
MONTREAL: 57 St. Francois Xavier St., Main 0123
Investment Bankers
NEW YORK: 14 Wall Street, Rector 4901
DIRECT PRIVATE WIRES

Why We Recommend
Loblaw's Groceterias
7%
Prior Preference Shares

1. The business of the Company is very profitable. Its present earnings are at a rate equal to seven times the amount required for dividends on these Shares.
2. It does business for cash only—no bad debts.
3. Rapid Turnover. It turns stock twenty times a year, thereby permitting an enormous turnover on moderate capital. Goods are bought on 30 days, and are invariably sold at retail before the manufacturer's bills become due.
4. Economy of operation. Very small staff required at each store. No delivery charges. Hard times don't affect sales. On the contrary, a wider class of people are attracted to the stores because of the economies effected.
5. Management: Keen, experienced and largely interested financially in the success of the Company.
6. Security: There are already $200 of Assets for each $100 Prior Preference Share issued. The real estate now owned by the Company could in itself be sold at a price to pay off the Preferred Shares at 100c on the dollar.

In our opinion these Shares are one of the most desirable Preferred Stocks on the market.

Application will be made to list them on the Toronto Stock Exchange.

We have pleasure, therefore, in recommending them at

98½ and accrued dividend yielding 7.11%

Send in your order or write for fully descriptive circular.

McLEOD, YOUNG, WEIR & Co.
Limited
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TORONTO
MONTREAL · OTTAWA · HAMILTON · LONDON

BROADCASTING FOR TOURISTS

HALIFAX.—A new method of advertising the attractions of Nova Scotia from the tourist's standpoint, will be tried out in the very near future, when talks will be broadcast from American radio stations in Chicago, Pittsburg and New York, as well as Moncton, N.B. In addition arrangements have been made for several automobile clubs to broadcast Nova Scotia's attractions on their own account from various United States stations.

Municipal and Provincial Finance

BOARD URGED FOR MUNICIPALITIES IN DIFFICULTY

Special Committee of Manitoba Legislature Suggests Cure for Defaulters

The final report of the special committee appointed by the Manitoba legislature to look into the affairs of the suburban municipalities adjacent to the city of Winnipeg, recommended the appointment of a board to administer the affairs of any suburban municipality adjoining Winnipeg, that seems to be in financial difficulty, as evidenced by its having received either direct or indirect aid from the provincial government, or by its having actually applied to the government for aid, or to this new board, to have its administration assumed thereby. It is understood that the legislature has initiated action to give effect to the recommendations drawn up.

It was recommended that the board should comprise representatives from each of the municipalities coming under it and an executive chairman appointed by the provincial government, and should be advised by such officials as the deputy municipal commissioner, the deputy provincial treasurer, the deputy minister of education and the Winnipeg city treasurer, if the latter should care to act. The representatives are to be appointed by annual election. As soon as a municipality comes under the board, its council shall cease to function and its reeve shall be the official representative until an election shall have been held.

The Board's Activities

It was further recommended that the board be empowed to engage or discharge such secretarial and other staff as it deems necessary, and that the expenses, including the salaries of this staff, shall be assessed and paid by the suburban municipalities administered. The chairman may receive such salary as the lieutenant-governor-in-council may determine. To enable the board properly to administer its work, it is to be given all the powers now enjoyed by any suburban municipality under the Municipal Act, or any other provincial statute. An annual report is to be made to the legislature.

Further specific duties as recommended for the board and outlined in a report by the Dominion Mortgage and Investments Associations are:,

(a) Investigate all phases of the administration of any suburban municipality it has reason to believe is in financial difficulty.

(b) Co-ordinate suburban municipal activities where deemed necessary and advisible.

(c) Recommend to the provincial government the use of its guarantee by the Lieutenant-Governor-in-Council.

(d) Co-ordinate and assist generally in the affairs of school districts where deemed necessary and advisable.

(e) Arrange for the contraction of local improvements districts, including the Greater Winnipeg water district, as it may deem necessary and advisable.

(f) Carry out the recommendations contained in the first report of this committee regarding the control of development in each and every municipality in which areas are or might be laid out for residential occupation tributary to the city of Winnipeg, the cancellation of plans of subdivision therein, etc.

(g) Arrange when necessary for the extension of time for payment with the creditors (including bond holders) of a suburban municipality, and to make such other adjustments as it may decide are necessary and advisable if, after investigation, it deems such municipality immediately incapable of discharging its obligations.

Wherever the word "municipality" appears in the above recommendations, it means a city, town, village or rural municipality.

The Municipalities Concerned

The suburban municipalities referred to are:

City of St. Boniface.
Town of Transcona.
Town of Tuxedo (not in serious difficulties).
Village of Brooklands.
Rural municipality of Fort Garry.
Rural municipality of Kildonan East.
Rural municipality of Kildonan West.
Rural municipality of St. James.
Rural municipality of St. Vital.

The following information as at 31 December, 1923, as to these suburban municipalities is submitted:

Total debentures (other than housing loan) unmatured	$10,588,199
Total housing loan not yet due (Assiniboia included)	2,523,975
Total school district debentures not yet due	1,983,057
Estimated share of Greater Winnipeg water district debentures not yet due (less sinking funds)	2,531,180
Total debenture debt	$17,626,411
Less sinking funds (only 50 per cent. of required)	1,241,420
Net debenture debt	$16,384,991
Bank loans and overdrafts (less cash on hand)	1,170,544
	$17,555,536
Population	54,330
Taxable assessment	$51,089,368

The only municipality in default at 31 December, 1923, was Assiniboia (including St. James), which was in arrears—Principal $42,742.48; interest $23,949.78.

Municipal Notes

PROTEST CITY COMPETING

Toronto Transportation Commission proposes to go in for sight-seeing buses. This is causing a protest from bus operators who have many thousands invested in such enterprises and contend that the city has no right to enter competition when the service is adequate.

OSHAWA ECONOMIZES

The council of the city of Oshawa has decided upon drastic curtailment of expenditure during the year, and has authorized the building of only one mile of pavement during the year. This work will cost about $50,000 and will bring the mileage of paved streets to 22. Other expenditures will be kept within reasonable limits.

CIVIC TAXI SERVICE

The automobile committee of Toronto City Council last week recommended a reduction in the civic motor service of from 81 to 15 cars. Council will likely deal with the matter at its next meeting. The committee recommended one month's trial of the scheme, when, if it be found unsatisfactory, the service wil again assume full strength. The committee recently made a visit to New York and Pittsburg to investigate the city-operated taxi service in those cities.

MANITOBA DEFAULTS

In a return tabled in the Manitoba legislature, it was stated that the following municipalities have been placed in the hands of a receiver in accordance with legislation enacted last year:

R.M. of Birch River—request of Dept. of Education.
R.M. of Armstrong—council resigned.
R.M. of Lawrence—at its own request.
R.M. of Kreusburg—council resigned.
R.M. of Mossey River—at its own request.
R.M. of Hillsburg—request of Dept. of Education.

LETHBRIDGE FINANCES

The assessed value of property for taxation in the city of Lethbridge last year amounted to $9,600,785, and exemptions not included in this amount totalled $6,242,615. The total tax rate for the year was 44.67 mills, and the total accumulated tax arrears at the end of the year were $212,549. Public utilities debentures outstanding totalled $1,672,765 and local improvement debentures, $471,504. General debentures not included in these amounts were $1,631,526. Sinking funds for public utility, local improvement and general debenture debts were $548,637, $84,652 and $‹24,122 respectively. A further sinking fund reserve of $77,410 was reported.

SYDNEY'S TAX PROSPECTS

SYDNEY.—Sydney's total assessment valuation this year is placed at $12,662,786. The city authorities are looking forward with interest to 1930, when the property of the British Empire Steel Corporation, originally exempted for 30 years, will become taxable. As the present civic valuation will be more than doubled when this takes place, there is already speculation as to whether it would be wiser to cut tax rates in two, or double the city revenue and spend the surplus on streets and other public works. Many months ago the company made a proposition that it commence now to pay taxes at the current rates on a valuation which would be acceptable to it, but nothing was done about it. It is expected a similar proposition will be put forward some time before the exemption period expires.

As a result of a drastic $46,000 cut in estimated expenditures for 1925, the Sydney tax rate will remain at 3½ per cent.

This Week's Bond Sales

THOROLD DEBENTURES

An issue of $26,062, town of Thorold, 5 per cent., 10 equal annual instalment, local improvement debentures, has been awarded to R. A. Daly & Co., on a bid of 101.43 and interest. Following is a list of the bids:

R. A. Daly & Co.	101.43
Municipal Bankers Corp.	101.22
Dyment, Anderson & Co.	101.08
Matthews & Co.	100.95
H. R. Bain & Co.	100.85
Harris MacKeen & Co.	100.81
Bell, Gouinlock & Co.	100.60
MacKay & MacKay	100.55
Dominion Securities Corp.	100.525
R. M. Bird & Co.	100.48
C. H. Burgess & Co.	100.37
Goss, Forgie & Co.	100.10
Toronto Bond Exchange	99.63

RENFREW COUNTY ISSUE

An issue of $40,000 County of Renfrew 10-year instalment 5 per cent. bonds was awarded yesterday to Fry, Mills, Spence & Co. on a bid of 104.43, which represents a cost price of 5.096. The other bids include the following:

Fry, Mills, Spence & Co.	104.43
Harris, MacKeen & Co.	104.41
H. R. Bain & Co.	104.34
Municipal Bankers Corp.	104.26
MacNeill, Graham & Co.	104.17
McCoo, Padmore & Co.	104.17
Matthews & Co.	104.11
C. H. Burgess & Co.	104.07
Wood, Gundy & Co.	104.04
Gairdner, Clarke & Co.	103.96
Dyment, Anderson & Co.	103.81
Bell, Gouinlock & Co.	103.78
R. A. Daly & Co.	103.52
Mackay & Mackay	103.25
Toronto Bond Exchange	103.00
McLeod, Young, Weir & Co.	103.00

ONTARIO TREASURY BILLS

The $20,000,000 issue of Province of Ontario 3½ per cent., one and two year treasury bills, has been awarded to Blair & Co. and the Equitable Trust Co., of New York, at a price of 98.6533, or a cost basis to the province of 4.42 per cent.

The list of tenders is as follows, New York delivery and payment in each case:

Blair & Co., Equitable Trust Co., Cochran Hay & Co., Matthews & Co., Halsey, Stuart & Co., Solomon Bros. & Hutzler, Chase Securities, Bank of Nova Scotia	98.6533
Bank of Montreal, First National Bank, Kissel, Kinnicutt & Co., Continental & Commercial Trust & Savings Bank, Brown Bros., Redmond & Co.	98.5614
National City Co., Dillon, Read & Co., Harris, Forbes & Co., Guaranty Co., Dominion Securities Corp., Wood, Gundy & Co., A. E. Ames & Co.	98.4711
Canadian Bank of Commerce, Dominion Bank, Standard Bank, Bank of Toronto	98.4637

DELINQUENT TOWNS MAKE SOME PAYMENTS

Better Conditions Enable Some to Work Their Finances Into Better Position

According to information received from the Dominion Mortgage and Investment Association, following is the position of the various Alberta and Saskachewan towns and municipalities in default:

ALBERTA

Bassano.—The board advises that coupons of original debentures falling due during 1925 will not be met either by cash or refuding debentures, but are to be held in abeyance until a plan of adjustment is arrived at. Coupons of refunding debentures will, however, be met on their due dates.

Bow Island.—The board of public commissioners reports that debenture payments falling due during 1924 were met by both the town and school district and that payments for 1925 up to date have also been met.

Macleod.—The city and school district of Macleod being of the same opinion as the debenture holders as to the plan of adjustment, the board of public utility commissioners has now issued its recommendation. Debenture holders have been requested to approve of same. As soon as the holders of 60 per cent. of the separate debts of the town and school districts are approved, the Lieutenant-Governor-in-Council of Alberta will be requested to give his assent, when the recommendation will become effective and debenture holders given instructions as to forwarding their holdings for exchange.

Redcliff.—The board advises that coupons of original debentures falling due during 1925 will not be met either by cash or refunding debentures, but are to be held in abeyance until a plan of adjustment is arrived at. Coupons of refunding debentures will, however, be met on their due dates.

Taber.—The board has not as yet set the date for enquiry, but it has ordered the payment of a cash dividend of 10 per cent. on the principal outstanding of the certificates of indebtedness and advice was given to the debenture holders by the town.

Tofield.—The board of public utility commissioners reports that the operations for the year 1924 resulted in a cash balance on hand of $10,135, of which $5,000 has been invested, as a special reserve, in Provincial Savings Certificates.

The recommendation of the board of public utility commissioners, dated Aug. 2, 1924, has now been approved by the holders of the necessary 60 per cent. of the debenture debts of the town and school districts, and has been assented to by the Lieutenant-Governor-in-Council, so that it is now effective. The town has requested debenture holders to forward their holdings for exchange in accordance with the terms of the recommendation.

SASKATCHEWAN

Battleford.—At a meeting of the debenture holders of the town and school districts of Battleford holders of over 51 per cent. of the separate debts involved were present, and the committee was given power to continue negotiations with a view to arriving at an agreement on the basis of an annual payment of $6,100 for 35 years, with the provision that this annual payment can be increased, at stated periods, in proportion to the increase in population, and that said annual payments be a first charge on the revenues of the town and school districts.

Humboldt.—The committee is now in receipt of a letter from its solicitor stating that the hearing of the certiorari proceedings in the Saskatchewan Court of Appeal has been deferred until the May sittings of that court.

Melville.—The local government board reports that it has not as yet received all the debentures issued by Melville but that, at all events, it is proceeding with the distribution of the cash available and of the new debentures to be issued in accordance with the terms of the agreement, to those debenture holders who have forwarded their holdings to the board.

Swift Current.—The city has requested the holders of certificates of indebtedness to forward these to Swift Current to receive the 1924 cash payment of 3 per cent. in accordance with the terms of the agreement.

TAX RATES, 1925

North Bay	47.5 mills
Parry Sound	50 mills
Smiths Falls	39 mills

Tenders and By-laws

TENDERS WANTED

April 25, School Municipality of the Village of Saint Michel de Rougemont, P.Q. — $14,000, 5 per cent., serial bonds. A. Ledoux, sec.-treas.

April 27, Saint-Jean, P.Q.—$235,000, 5 and 5½ per cent. serial bonds. Hormisdas Morais, sec.-treas.

April 27, Township of Delisle, P.Q.—Two issues totalling $61,000 bearing interest at 5 or 5½ per cent. Serial bonds maturing in 10 or 20 years. Xavier Larouche, Sec.-Treas.

April 28, City of Lachine, P.Q.—Three issues of term bonds amounting to $60,000 in all. Hector Daoust, Sec.-Treas.

April 28, City of Hull, P.Q.—$200,000 term debentures maturing 1945. H. Boulay, City clerk. (See announcement on page 10).

Apr. 28, Forest Hill—$25,000, 5%, 30-year debentures. L. W. Archer, Clerk, Village of Forest Hill.

May 4, Orangeville—$13,000, 5%, 30-instalment debentures. H. B. Church, Clerk, Orangeville. (See announcement on page 16).

May 5, Essex County—$140,000, 5%, 20-year debentures. John F. Millen, County Treasurer, Sandwich. (See announcement on page 16.)

MARITIME LIFE

The Maritime Life Insurance Company has now over $1,700,000 of business on its books after twelve months of operation.

Benson and Hedges (Canada) report sales for the month of February amounting to $48,742, as compared with $45,629 for the same month last year.

WEEKLY RECORD OF GOVERNMENT AND MUNICIPAL BOND SALES.

Place	Date	Purpose	Sold To	Rate	Maturity	Amount	Price	Yield
			MUNICIPAL					
Thorold	Apr.	Improv.	R. A. Daly & Co.	5%	1935	$26,082	101.43	...
Bromley Twp.	Apr.	School	W. H. Collins	5½%	1935	3,000	102.50	5%
Montreal	Apr.		Sinking Fund Commission	4½%		902,600	.....	...
Summerland Dist.	Apr.	Irrig.	R. P. Clark & Co.	5½%	1940	25,000	99.55	5.56
Donnaconna	Apr.		Bray, Caron and Dube	5½%	1940	5,000	99.62	5.55
Pointe au Pic, Que.	Apr.		L. G. Beaubien & Co.	5½%	1930	2,500	100.25	5.45
Trail, B.C.	Apr.	Improv.	Royal Financial Corp.	....	....	8,000	97.25	...
Trail, B.C.	Apr.	Water	Royal Financial Corp.	....	....	25,000	97.62	...
Islay, Alta.	Apr.		W. Ross Alger Corp.	6 & 7%	....	9,675	.....	...
Renfrew County	Apr.		Fry, Mills, Spence & Co.	5%	1935	40,000	104.43	5.09
			CORPORATION					
Wayagamack Pulp	Apr.		Mathews & Co., Rene T. Leclerc, Inc., Geoffrion & Co.	6½%	1930	1,500,000	99.50	6.60
Andian National Corp	Apr.		Osler & Hammond and Jesup & Lamont	6%	1940	10,000,000	100	...
			PROVINCIAL					
Ont. (Treas. Bills)	Apr.		Blair & Co., and Equitable Trust Co.	3½ & 1 & 2-yr.		20,000,000	98.6533	4.42

Our Trading Department

At all times we are prepared to submit satisfactory bids for the purchase, in odd lots, of Canadian Government, Municipal and high-grade Corporation Bonds.

The following, amongst others, are securities for which our market facilities will be found most dependable: C.P.R. 4½'s 1944, Bell Telephone 5's 1955, Quebec Power 6's 1953, Montreal Public Service 5's 1942, Wayagamack 6's 1951, Belgo-Canadian Paper 6's 1943, Duke-Price Power 6's 1949, International Paper 6's 1955, Montreal Tramways 5's 1941 and 1955.

Enquiries invited

RENE-T. LECLERC
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Effective May 1st

Bonus Reduced from 20% to 10%

NOTICE is hereby given that the bonus of Common Stock with the
7% First Mortgage Bonds
NATIONAL CEMENT COMPANY
will be reduced May 1st, 1925 from 20% to 10%.

The plant of the National Cement Company is now on the point of commencing operations and is expected to begin filling orders within five or six weeks.

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Kindly send me without obligation, particulars of the 7% First Mortgage Bonds of the National Cement Company carrying a bonus of 20% in Common Stock.

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No matter what fate may have in store for you—Fire, Burglary or Accident—policies with this Company give absolute assurance against financial loss.

We enjoy an enviable record for prompt settlement of claims.

The Western Assurance Company
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Established 1851

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Organized 1874

TOTAL BENEFITS
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Policies Issued from $1,000 to $5,000

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Many a man is dead who said he would take a life insurance policy "a few weeks from now".

Call in a Dominion Life Agent. 45

Established 1889
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Head Office: WATERLOO, Ontario

"His Love Lives On"

"He can't have left her much, you know, because he was only just getting nicely established"—said the friends of Frank's widow when he died, only 31 years of age.

But the family realized the true nobility of Frank's nature, when the solicitor announced that, just the year before, the young man had been foresighted enough to provide through insurance with The London Life, an income of $100 a month for his wife as long as she lives.

The cost, equal to $5.78 a week, was his sacrifice for the wife and children he loved.

The London Life agent has had experience in arranging such policies of protection and will be glad to advise. London Life rates mean lowest net cost.

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"Canada's *Industrial-Ordinary* Company"
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Various conditions affect the yield of bonds so that a revision of your holdings is often advisable. We will gladly examine your investments and tell you whether or not you are securing maximum returns. Many holders of Victory Bonds would profit by conversion.

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Insurance for Buyer and Seller

LIFE VALUES ARE NOT PROTECTED AS THOSE OF PROPERTY

Philosophy of Business Applied to the Human Values and Their Protection

In applying modern business and financial terms commonly used in relation to property values, to human values Dr. Solomon Huebner, instructor in insurance, University Pennsylvania, in a recent address to the Toronto Life Underwriters, gave some rather new twists to the question of life insurance as viewed from the standpoint of the buyer of insurance. He distinguished property values, representing the material and tangible from the human values, the forces that the Almighty has given us, health, education, training, initiative, power of judgment, etc., by declaring the latter to be the source of all property values. He asserted that to capitaize the human values of the United States at 5 per cent. would give a value 6 or 8 times the total property value. A great scientific treatment has been laid down for the financial care of property values, such as corporate finance, private finance, commercial credit, taxation and investment, but there is no mention of life insurance. The time has come, however, when attention is turning to a life value philosophy as distinguished from the property value philosophy. He contended that life insurance represented the entire range of corporation finance applied to life values. It was an analogy that was complete from start to finish. He instanced life values to the company that made a bond issue. It would create a sinking fund to care for the bonds at maturity, especially if the business had exhaustible features. To provide for redemption in prosperous days, there would be inserted the callable feature. Likewise as with a machine, depreciation would be provided. Human values were subject to these same conditions. The sinking fund was needed as life was exhaustible. Premature deaths are not uncommon so that depreciation should be provided. If the insurance was thus called, it was paid; if not called, the sinking fund would pile up, and at the appointed age, would make the bond, or policy, worth its face value. The age of entry determined the period of the sinking fund, taking 65 as the due date.

He also likened life insurance to the collateral loan. It rendered death harmless. It rendered tangible for the purposes of security, the intangibility of life. Likewise was it compared with the building bond, indemnity, fire, marine insurance. He made the point that 95 per cent. of all marine properties are subjects of insurance; 80 per cent. of all property is covered by fire insurance yet he estimated that only 7 per cent. of the life values of the United States were covered and believed that these figures would apply to Canada. He could not see the reasoning that death did not involve a loss of property, the same as a fire, particularly in view of the fact that the average loss was one out of every 50 or 60 fire policies whereas in life values there was certain to be a loss sometime.

As the company creates its surplus, during the fat years, that it may make provision for the lean years, he advocated high premium life insurance on the life values during the fat years to take care of the years of declining income, the lean years. Life was made up of two business enterprises, the life's work and the family The real value going into the latter, in the majority of cases, consisted solely of good will, earning capacity, and he came out in favor of compulsory life insurance to a decent minimum, wherever a home is found. He declared it to be as fundamental as education. Every marine voyage is insured. Why not the family voyage?

Sales of Ordinary Life Improved in March

Sales of ordinary life insurance in March showed a distinct improvement in Canada, according to figures published by the Life Insurance Sales Research Bureau of Hartford, Conn. The increase over February was very marked, rising from a total of $28,000,000 to over $35,000,000. The latter figure compares with a total for March, 1924, of $34,300,000 and thus indicates a gain of 2 per cent.

The extreme eastern sections showed the greatest gain in March as compared with a year ago, led by Newfoundland with an 83 per cent. gain and Prince Edward Island with 22 per cent. Both Ontario and Quebec, which always show the largest amount of business sold, had increases, the former with 5 per cent. and the latter with 1 per cent. In the west, the territory was led by British Columbia with a gain of 12 per cent., folowed by Manitoba with 3 per cent.

Among the cities, the following records were significant: Ottawa, 61 per cent. gain; Quebec, 27 per cent. gain; Vancouver, 25 per cent. gain; and Winnipeg, 5 per cent. gain.

GREAT WEST LIFE CONVENTIONS

WINNIPEG. — The annual regional conventions of the Great West Life salesmen are now being held throughout the provinces. Already the Manitoba and Saskatchewan contingents have been in session, the former in this city and the latter at Regina. The sessions consist mainly of the discussion of salesmanship problems and addresses of an educational nature. The principal speakers at these two conventions were General Manager C. C. Ferguson, Superintendent Hayden of the central division, and A. Jardine, secretary and assistant general manager.

Stock Investments For Life Companies

What is to become of life insurance companies' investments if their business continues to grow as it has in the past few years? This point, raised recently in an address by Solomon Huebner gives interesting food for thought. He declared that soon life insurance will be purchased as is property insurance today. How would the money be handled? He expressed the opinion that the whole field of stocks would have to be thrown open for investment of insurance funds. It was his opinion that this development of insurance was going to make it harder for the gold brick specialist. The investment feature was steadily becoming more popular. He concluded with the prediction that in 25 years it would be the greatest financial business in all the world, involving perhaps one thousand billion dollars.

Insured Theatre Patrons Against Death by Laughing

WINNIPEG.—Evidently with an eye to publicity values, a very unusual insurance policy was recently issued in Winnipeg to protect the patrons of the Capitol Theatre against death by laughter. And it wasn't a "ioke" policy either. It was a real. honest-to-goodness blanket policy for $1,000 taken out with the Ontario Equitable. The management of the theatre took this extra precaution, it was widely explained, in view of the appearance of Buster Keaton in his picture, "Seven Chances." The negotiations were conducted by H. M. Thomas, manager of the western division of Famous Players Canadian Corp. for the Capitol Theatre, and W. A. Shannon, Manitoba manager, along with W. T. Hart, general agent for the Ontario Equitable.

The terms of this unique policy as outlined in the program handed to each patron as he entered the theatre were as follows:

Sum insured—$1,000; who insured—every man, woman and child who attends the Capitol Theatre on any date from April 11 to 17th inclusive; insured against—death by laughter while seeing "Seven Chances"; payable to—the executors, administrators or assignees of insured; when payable—immediately upon receipt and approval of proofs of death by laughter; premium—included in the price of admission.

Church Mutual Insurance Measure Was Thrown Out

The effort to organize a mutual fire insurance company to handle all Anglican church fire insurance was blocked in the Ontario legislature recently. The bill of incorporation was thrown out by the Private Bills Committee, J. Y. Ormsby, Toronto, told the Montreal synod. He said that at the time the bill was before the legislature guarantees of $400,000 worth of business had been promised to the mutual should it be formed, and the other $100,000 needed to permit business to be commenced, could have been raised. Of the $400,000 business promised $350,000 was entirely new insurance, and not to replace insurance already in force, it being well known that church property was much under-insured. The committee formed in Toronto had made arrangements of a favorable nature with an American mutual company, which had offices in Canada, whereby special concessions would be made to Anglican churches insuring through a central organization.

BIG FORGERY LOSSES

Statistics gathered by the American Institute of Accountants show that over $100,000,000 is lost annually through forgery and alteration of checks. One can hardly pick up a newspaper without noticing an article where forgery or alteration has been committed. This is evidence that the need for insurance is increasing.

ANOTHER EARTHQUAKE LICENSE

The Department of Insurance has issued a license to the Great American Insurance Company to insure against loss of, or damage to, property resulting from an earthquake.

Money Talks

A dollar invested now will produce a nickel a year forever. One nickel is a year's interest on one dollar. Invest $7,000 to spend $1 every day without growing poorer. To receive $5 income every day, invest $30,000 just once. $100 invested monthly for 7 years, produces $50 monthly forever. To have $5,000, invest $50 monthly for 6¾ years. $100 saved monthly will yield $100 monthly in 12 years. To have $10,549, invest $50 monthly for 11½ years. $500 becomes $1,000 in ten years at 7 per cent. $1 becomes $20 in 50 years at 6 per cent. To make $1 become $50, invest it 50 years at 8 per cent. To get a monthly income forever, invest the same monthly sum for about 11½ years.

BIG LOSSES FORCE CANADIAN CAPITAL FROM FIRE FIELD

Purely Canadian Companies Get Only 4 Per Cent. of Premiums

A movement which, if continued at the present rate, will result in the total elimination of purely Canadian fire insurance companies from operation in Canada, is revealed in the figures presented by G. D. Finlayson, Dominion Superintendent of Insurance, at the annual meeting of the Dominion Fire Prevention Association, of which he is honoray secretary, in Ottawa this week. The results of Mr. Finlayson's investigation and report on the situation indicate that each year sees an increase in the proportion of fire insurance premiums paid in Canada to foreign companies and a corresponding decrease in the percentage paid to purely Canadian companies. It also shows the tendency of British and foreign capital to secure control of companies which were formerly purely Canadian. That Canadian capital is shunning the fire insurance business is attributed by Mr. Finlayson chiefly to the abnormally high fire losses in recent years which make it difficult for companies to operate at a profit.

In his comments on the subject Mr. Finlayson said:

It is interesting to note the effect of the high fire losses on Canadian fire insurance companies, which is, in a word, the almost total disappearance of the purely Canadian company in the fire insurance field. The following figures will show the distribution of fire insurance premiums between Canadian insurance companies, British insurance companies and foreign fire insurance companies in decennial periods from 1904 to 1924:

Companies	Premiums	% of ttl.
1904—		
Canadian	$ 2,681,275	20
British	8,343,666	64
Amer. and French	2,144,941	16
	$13,169,882	100
1914—		
Canadian	$ 5,016,653	18
British	13,710,907	50
Amer. and French	8,771,598	32
	$27,499,158	100
1924—		
Canadian	$ 6,714,448	14
British	23,552,489	47
Amer. and French	19,560,421	39
	$49,837,480	100

It will be seen that the percentage of total premiums received by Canadian companies and British companies has declined, while that of the American and French companies has increased.

Buy Control of Companies

It must be noted, in connection with the foregoing, that the companies nominally Canadian are to a large extent controlled by British and American companies. The extent to which this control of Canadian companies has proceeded will be apparent from the following figures, in which the companies whose capital stock is owned or controlled by Canadian capital are designated as "Purely Canadian," and those controlled by British companies and American companies are designated as "British Controlled" and "American Controlled."

Can. companies	Premiums	% of ttl.
1904—		
Purely Canadian	$2,468,884	92
British controlled	212,391	8
1914—		
Purely Canadian	$3,228,738	64
British controlled	1,787,915	36
1924—		
Purely Canadian	$2,025,778	30
British controlled	2,972,251	45
Amer. controlled	1,716,414	25

It will therefore be seen that at the end of 1924, while the nominally Canadian companies had received 14 per cent. of the fire insurance premiums in Canada, only 30 per cent. of this 14 per cent., or about 4 per cent. of the total premiums in Canada, were received by purely Canadian companies, the other 96 per cent. being received either by British and foreign companies or by Canadian companies which those companies controlled. It will also be noticed that this 4 per cent. is to be compared with 18 per cent. twenty years ago.

The fact is that Canadian capital has been, over the last twenty years, forced out of the fire insurance business by reason of the high fire losses and the business has been passing into the hands of the larger British and foreign companies which are looking to the future to recover some of the loss at present being sustained on the business.

The facts presented by Mr. Finlayson lend further weight to the claims made frequently by the companies themselves that they are losing money. With losses running at approximately 60 per cent. of the premiums and expenses about 40 per cent., little is left for a return on the capital invested in the enterprise.

The Record of Fire Losses in Canada

Place	Property	Date	Loss	Insurance	Cause
NEW BRUNSWICK					
Petitcodiac	R. A. Milton, garage & 3 cars	April 9	$5,000	None	———
St. John	D. N. Vallis, residence	April 11	3,000	Covered	———
New Mills	School	April 14	Heavy	$700	Cigarette
St. John	Lewis Connors & Sons factory	April 14	12,000	———	———
QUEBEC					
Quebec	J. Cote, store	April 8	$3,000	———	Wiring
Saint Hubert	Sisters of Bon Pasteur, barn	April 6	5,000	———	———
Sherbrooke	J. A. Vidal, bakery	April 6	5,000	———	———
Montreal	D. McLaughlin, residence	April 7	6,000	———	———
Sherbrooke	W. Provis, residence	April 8	2,500	None	Chimney
Quebec	Novelty Importers, warehouse	April 14	2,000	———	———
ONTARIO					
Gobles	J. Hoffman, sawmill	April 7	$7,000	$2,000	Unknown
Galt	W. R. Johnston, barn	April 10	5,000	Partial	———
London	Mt. St. Joseph Orphanage	April 15	30,000	———	———
Toronto	H. Pike, store	April 15	2,200	———	———
Blenheim	R. Smyth, barn	April 9	5,000	———	Unknown
Ottawa	Wellington & Shane, bakeshop	April 15	100,000	———	———
Kingston	Country Club, building	April 9	2,000	Covered	———
Kingston	Truedell's Hall, building	April 9	7,000	Partial	———
Hamilton	Scarfe Paint Co., store	April 17	4,000	Partial	Unknown
Carp	E. Snelgrove, barn	April 16	2,500	$1,500	Unknown
Westfort	J. B. Evans, store	April 13	3,000	———	———
North Easthope Clachan School		April 16	10,000	$5,000	Lightning
Speldon	A. Colwell, barn	April 9	5,000	———	Lightning
Hillside	J. Gibson, residence and barns	April 13	Heavy	———	———
Arnprior	T. Carruthers, barn	April 17	2,000	900	Unknown
Kinburn	M. Stackhouse & J. Hamilton, store	April 15	20,000	10,000	Unknown
Guelph	Sterling Rubber Co., factory	April 20	7,000	———	Unknown
Windsor Auditorium Building		April 15	20,000	———	Lightning
MANITOBA					
Melita	P. Stacey, poultry plant and contents	April 20	$10,000	———	———
Virden	A. G. Hay, barn and car	April 14	Heavy	———	———
BRITISH COLUMBIA					
Creston	M. Weir, residence	April 10	$800	None	Unknown

THE
CANADA NATIONAL FIRE INSURANCE COMPANY
HEAD OFFICE: WINNIPEG, CANADA
TOTAL ASSETS $2,928,337.62
TORONTO, 24 Adelaide St. W.
W.H. GEORGE
Superintendent of Agencies

A Living Certainty

A man becomes rich in proportion to the number of things he can do without in order to pay for life insurance.

Great-West Life

17

Without Medical Examination

SELECT MALE RISKS
Ages 15 to 45

POLICY GUARANTEES

(1) $2,000 for death from natural causes.
(2) $4,000 for accidental death.
(3) $20 per month for total and permanent disability and $2,000 at death.

PREMIUM RATES:

Age	Rate
15	$28.50
20	30.90
25	34.50
30	39.40
35	45.80
40	54.20
45	65.60

THE
EXCELSIOR INSURANCE LIFE COMPANY

MAIL THIS TO-DAY

Excelsior Life Insurance Co., Toronto.
Send me full information about this Double Indemnity policy.

Name .... Age ......
Address ....
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For a very small fee, we can take charge of your investments—collect rent and interest, keep your books, etc.

Write or phone for full information.

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STERLING TRUSTS CORPORATION
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Timber Limit with 1st class Saw Mill
(about 60 sq. miles)
(Leasehold Rights)
Practically Virgin Forest

Location ensures most economical operations for lumber and pulpwood export.

Situated
Southern Labrador
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Apply for particulars
"Timber Limit,"
c/o Financial Post.

Iron and Steel

FAIRBANKS-MORSE LIKELY TO CLIMB FORWARD IN 1925

Hope is That Losses Can be Turned Into Profits

From Our Own Correspondent.

MONTREAL.—The adverse conditions that made necessary the passing of the preferred dividend of Canadian Fairbanks-Morse Company are etched out in the annual statement of the company for 1924, which has just been presented. The company again suffered an operating loss for the year, although a smaller one than in the previous year. On the other hand the company's liquid position was put in better shape.

While the president, Thomas McMillan, in his remarks to shareholders, does not make any very definite forecast as to the current year's business, it is learned from other sources that the company is likely to make a better showing and will probably show the preferred dividends as earned, although they are hardly likely to be paid. Expenses have been pared to the minimum and the company is closing up various unprofitable branches. These economies are expected to effect a material improvement in earnings.

Reason for the Loss

Loss in operations for the year amounted to $57,496 as compared with $163,934 in 1923. Concerning the loss the president states: "As your company is mainly engaged in the manufacture and merchandising of equipment for industrial and agricultural enterprise, the lack of general development in Canada along these lines has made the past year somewhat unsatisfactory. Few new factories have been established, the majority of existing plants having large surplus facilities, and while the agricultural communities in general have benefited by the better prices obtained for their produce, their increased revenues have been largely devoted to the liquidation of past indebtedness. The railroads, which are normally large customers, have been forced to reduce their operating expenses to the utmost, and as a result there has been a great curtailment in their buying.

"The operations of your company being entirely confined within the limits of the Dominion, these conditions naturally had a material effect on its volume of business. The proportional gross revenue, on the other hand, showed considerable improvement, and a substantial reduction in operating expenses was effected, but the decline in sales made it extremely difficult to maintain the proper relation between them."

The earnings for three years compare as follows:

	1924	1923	1922
Profit on oper.	$ 57,496*	$ 163,934*	$ 1,069
†Other profit	45,898	88,968	103,640
Total profits	$11,598*	$744,966*	$104,709
Dividends	......	90,000	90,000
Balance	$11,598*	$164,966*	$14,709
‡Readjustment	7,310	9,520	24,777
Contingent res.	....	....	100,000
Surplus	$ 18,908*	$174,486*	$110,068*
Prev surp.	1,884,206	2,058,693	2,168,760
Balance	$1,865,298	$1,884,207	$2,058,692
§Trans. to res.	160,116	....	....
Total surplus	$1,705,182	$1,884,207	$2,058,692

*Debit.

†From sales of machinery, buildings, etc.

‡Readjustment of surplus through cancellation of common stock.

§On this item the directors state "Your directors have deemed it advisable to transfer the amount of $160,116.93 from surplus account to the reserve for bad and doubtful accounts, which was somewhat depleted as a result of writing off certain accounts incurred some years ago in the Prairie provinces. This reserve now stands at $231,687.45, for 18½ per cent. of the total accounts and bills receivable."

Working Capital Higher

The working capital position of the company shows some improvement, with excess of current assets over current liabilities standing at $1,969,183, as compared with $1,877,792 in the previous report. For the past three years the working capital position of the company compares as follows:

	1924	1923	1922
Current assets	$3,153,223	$3,599,512	$3,817,622
Curr. liabil.	1,184,040	1,721,720	1,590,308
Work. capital	$1,969,183	$1,877,792	$2,227,308

In connection with these figures, it may be noted that a reduction in inventories and accounts receivable to a point commensurate with existing business enabled the company to retire a bank loan of nearly half a million dollars.

Another feature of note is that the Toronto warehouse building of the company has been sold and while the purchase price has not come in full to the company, the balance, which is fully secured, appears in the balance sheet as a mortgage receivable of $75,000.

CANADIAN MARKET BEST FOR N.S. COAL

New England Not Good Outlet for Besco, is Claim of the Company

From Our Own Correspondent.

MONTREAL.—That the St. Lawrence market is a better one for Nova Scotia coal mines than the New England market ever could be is the claim of the British Empire Steel Corporation, made in their weekly bulletin. Besco says:

"Whatever it may have been at times in the past, or whatever it may be in conditions that restrict the supply from United States mines, New England is not, and until conditions are greatly changed, cannot become a permanent and satisfactory market for Nova Scotia coals.

"A little consideration will make this clear to the most enthusiastic disciple of reciprocity. If it is true, and no one with a knowledge of the coal trade will question it, that with the assistance of a duty of fifty-three cents a ton on bituminous coal it is and has been impossible for Nova Scotia coals to monopolize or control the St. Lawrence market, how can it be expected that they will be allowed to get a permanent foothold in the New England market which is much more accessible to the mines of West Virginia and other coal producing districts in the United States than is Montreal or the St. Lawrence district generally.

"In order to make any sort of impression upon the market that can be reached through the New England ports, it would be necessary to acquire docks, and to equip them with adequate facilities for the discharge, storage and distribution of coal. This would involve the outlay of very large amounts of capital which could not be obtained unless there is assurance of permanent success in the enterprise.

"It is important to consider the price that would have to be paid for such temporary access to the American market. With the abolition of the Canadian duty United States bituminous coal would immediately displace Nova Scotia coal in the St. Lawrence region as well as in parts of New Brunswick and even the Western Counties of Nova Scotia.

"The St. Lawrence market was lost once in the past ten years and it has only been regained in part and at great expense. If it were lost a second time it might never be regained. In that case Nova Scotia would not be the only loser. Quebec and Ontario would have to pay whatever price the American operators chose to exact in the absence of healthy competition from Canadian coals."

Output of Pig Iron Increased in March

OTTAWA.—The production of 63,932 long tons of coke pig iron in Canada during March was the highest monthly output reported since May, 1924, and exceeded the combined totals for January and February of this year. The increase over last month was 117 per cent. February in turn showed an increase over January of 4 per cent. The entire March output consisted of basic iron, 63,740 tons being for the further use of the reporting firms and the balance of 192 tons was intended for sale.

The cumulative production of pig iron for the first quarter amounted to 121,740 tons as compared with 201,280 tons for the first three months of 1924, and consisted of 97,736 tons basic iron, 15,722 tons foundry iron and 8,282 tons malleable iron.

Utilities

Duluth Superior Dividends Resume Middle of Year

(Continued from page 7)

company some time ago. The city of Duluth still has recourse to the Supreme Court of the United States, but the six months' time limit is nearly ended and no steps so far have been taken.

Meanwhile the company's earnings have shown marked improvement. The gross for the first quarter of 1925 amounted to $502,629, an increase of $42,268 over the corresponding period in 1924. Net earnings for the first two months of 1925 showed an increase of 290 per cent. over last year. The company's liquid position is secure, holdings of readily realizable investments being approximately $500,000. General business conditions in Duluth and Superior, the centre of the Lake Superior steel industry, are favorable, indicating that operating results of the Duluth Superior Co. will continue favorable. The shares are now selling around 39, and when it was on a dividend basis previously, it ranged around 65.

Southern Canada Tells of Recent Activities

From Our Own Correspondent.

MONTREAL.—With the last dividend cheque of Southern Canada Power shareholders got a letter outlining recent progress of the company. In part, the letter stated:

"The Hemmings Falls development is practically completed. Five of the six 5,000 horse power units are in place, and we expect to be able to announce the formal opening of this plant within a few weeks.

"'Contracts have been let for the extension of the Drummondville plant. Two additional units of 6,000 horsepower each will be installed at this plant during the coming summer, bringing its capacity up to 18,000 horsepower. The construction plant is now being moved to the job, and construction work will commence as soon as the high water is over.

"The transmission line from Hemmings Falls to Wickham has been completed, and a new transmission line is now under construction from Magog to Rock Island. Construction will be commenced shortly on another transmission line from Adamsville via Farnham to St. Johns.

"The Marconi Wireless Telegraph Co. of Canada have established a powerful transmitting station at Drummondville, which will communicate directly with England and with Australia. This will be one of the most important wireless stations in the world. A branch transmission line has been completed to this station to furnish the power required for its operation.

"The ratepayers of Farnham passed a by-law by a large majority in the latter part of March to turn over their municipal plant to this compnay. We expect to connect up this plant to our transmission system by means of the new transmission line which will soon be under construction. This is the sixth municipality to turn over its municipal power plant to the company in order to enjoy the greater benefits from improved service and ample power supply. A contract has been signed with the village of Abbotsford, and an extension will be made to this point to give service early in the summer."

Will Twin City Earn 3% in the Half Year?

Paying a dividend at the rate of 4 per cent. per annum, and selling in the market at 64½, Twin City Rapid Transit Company shares are yielding 6.20 per cent. on the investment, which is a good return for a utility, say Watt and Watt, brokers. Operating results for the first quarter of 1925 were favorable and should results for the second quarter prove as good, sufficient will have been earned to pay a 3 per cent. dividend for the half year. While general economic conditions in the territory served by the company have improved materially as compared with last year at this time, the company's ability to pay 3 per cent. will not be determined until the end of May at least. If 3 per cent. is earned it is reasonably certain that that percentage will be paid in dividends. With regard to negotiations relating to fares to be charged by the company, while the Warehouse Commission has handed down a property valuation decidedly favorable to the company, the question of fares may yet have to be threshed out in the courts. Meanwhile, the earning-power has been improving, and the stock at the current price should have speculative merits, discounting a 6 per cent. declaration in June.

BRAZILIAN TRACTION

Brazilian Traction shares are said to be quite scarce. There has been selling pressure apparent for sometime but this seems to have eased, for facing a small buying demand the stock sold up to 50¾ at Toronto and Montreal with 51¾ bid and 52 asked on New York curb. Despite unsettled conditions in Brazil earnings have been more than maintained. There have been expectations that this year might again see the stock on a 6 per cent. basis but nothing of an official nature has been heard as to this for some months. The restoration of economic and political equilibrium and the establishment of the milreis upon a stable basis, will unquestionably place the shareholders in a very favorable position.

NORTHERN MEXICO ARREARS

Northern Mexico Power and development has declared 7 per cent. on the arrears on its preferred. It applies to the fiscal year of 1923 and makes the fourth 7 per cent. payment made since July, 1924, or in all $7,750,000. In August it is expected that the 1924 dividend will be paid and by the first of the year the payment for the present year provided, thus cleaning up all arrears.

PUBLIC UTILITY EARNINGS

Can. Western Natural Gas

	1924	1925	Increase
October	$ 59,928	$ 76,052	$ 17,024
November	96,570	138,275	41,705
December	105,110	182,909	77,799
January	148,965	163,953	14,988
February	104,266	171,679	67,413
Agg. Earn. from 1st Oct. to Feb. 28	$513,939	$732,868	$218,929

Cape Breton Electric

February—	1925	1924	Change
Gross earnings ...	$51,227	$53,942	x$2,714
Oper. exp. and taxes	42,124	46,171	x4,046
Net earnings	$ 9,102	$ 7,771	$ 1,331
Int. charges	5,685	5,676	9
Bal. for Res., Retire. & Divs.	$ 3,416	$ 2,094	$ 1,321

B. C. Electric Railway

February—	1924	1925	Increase
Gross Earn.	$ 912,335	$ 963,086	$ 50,751
Expenses, Maintenance, &c.	652,999	686,314	33,315
Net income	$ 259,336	$ 276,772	$ 17,436
Agg. Gross from July 1, 1924 to Feb. 28, 1925	$7,200,023	$7,532,584	$332,561
Agg. Net from July 1st, 1925, to Feb. 28, 1925	$2,154,815	$2,205,188	$ 50,373

CONSOLIDATED SMELTERS

One of the most significant features of the Smelters situation, apart altogether from the excellent showing revealed in the last annual report, has been the character of the buying of the stock over the past year and a half. In addition to very heavy purchase by influential Canadian interests, blocks of stock of large size have been moved from this market to New York, where it has been removed from circulation and placed in the strong boxes.

While no specific names have been mentioned, it is understood that interests closely identified with the lead trade of New York, and therefore in a position to estimate and appraise the present position of the company and its future possibilities, have been accumulating stock. In view of their studied conclusions they have stepped into the market and bought heavily. The company undoubtedly has rare potentialities, and men of foresight and knowledge of affairs have been largely responsible for the spectacular forward movement of the stock in the past few months.

There are now 235 antelope confined in the Nemiskam Park, in Southern Alberta, which is an increase of 183 since 1915. When the park was established the antelope were nearly extinct in Alberta.

Trust Funds

"Put not your trust in money,
But put your money in trust."

Under our care as your Trustee your property can be carefully conserved—funds kept continuously and safely invested—real estate managed and tax returns taken care of. We can thus save you much detail and worry always connected with the management of property.

Ask for Booklet "The Safe Investment of Funds"

The
TORONTO GENERAL TRUSTS
CORPORATION

W. G. WATSON, General Manager.
H. M. FORBES, Ass't. General Manager.

HEAD OFFICE: BAY & MELINDA STREETS, TORONTO
Branches:—Ottawa, Winnipeg, Saskatoon, Vancouver.

NEW ISSUE

$1,500,000

Wayagamack Pulp and Paper Company
Limited

6½% Five-Year General Mortgage and Collateral Trust Gold Bonds

Date of issue: January 1, 1925. Date of maturity: January 1, 1930.

Principal and semi-annual interest (July 1 and January 1) payable at Montreal Trust Company, Montreal. Coupon Bonds of $1000, $500 and $100 denominations with privilege of registration as to principal only. Redeemable in whole on any interest date upon sixty days prior notice after the first of January 1927, at 103 and interest at the option of the Company.

Trustee and Registrar: Montreal Trust Company

Mr. C. R. Whitehead, President of Wayagamack Pulp & Paper Company, Limited, has summarized his letter of 8th April, 1925, as follows:

THE COMPANY

Wayagamack Pulp & Paper Company, Limited, own and operate the largest and most important Sulphate Pulp and Kraft Wrapping Paper Mills in the world. Its product is marketed in every important country and is recognized as the standard of quality.

CAPITALIZATION—The present capitalization of the Company is as follows:

	AUTHORIZED AND ISSUED	OUT-STANDING
6% First Mortgage Gold Bonds maturing 1951	$5,000,000	
LESS: Bonds redeemed and Bonds cancelled for sinking fund	574,500	$4,425,500
Common Shares	$5,000,000	$5,000,000

PLANT AND OUTPUT—The Company's plant consists of a Kraft Paper Mill with a capacity of about 120 tons, and a Sulphate Pulp Mill with a capacity of about 240 tons per day. It includes a Sawmill capable of cutting twenty million feet B. M. of lumber in a season.

TIMBER LIMITS—The Company's Timber Properties aggregate 2056 square miles of pulpwood and merchantable timber,—1121 of which are situate in the heart of the St. Maurice Valley,—484 on the North Shore of the St. Lawrence River near the Saguenay River,—and 451 on the York River which flows into Gaspé Basin.

PURPOSE OF ISSUE

The $1,500,000 6½% General Mortgage and Collateral Trust Gold Bonds are being sold to enable the Company to advance by way of loan to Wayagamack News, Limited, such amount as may be required to erect and complete a newsprint mill, wood grinder mill and accessories ready for operation with a capacity of 50,000 tons per annum. These bonds will be secured,—subject only to the lien of the present First Mortgage 6% Bonds,—by direct mortgage on the real and immovable properties now owned or hereafter acquired by the Company and by the pledge with the Trustee of $1,500,000 Fifteen-Year 6½% Second or General Mortgage Gold Bonds of Wayagamack News, Limited.

WAYAGAMACK NEWS, LIMITED

Wayagamack News, Limited, was incorporated under the laws of the Dominion of Canada on the 20th October 1924. Its capitalization is divided into:

a) £425,000 Five per cent (15 year) Guaranteed Debenture Stock which will be issued under the authority of the British Trade Facilities Act;

b) $1,500,000 Fifteen-Year 6½% Second or General Mortgage Bonds which will be pledged with Wayagamack Pulp & Paper Company, Ltd., and

c) 2000 Common Shares of no par value which will be entirely owned by this Company.

The Groundwood and Newsprint Mill of Wayagamack News, Limited, will have a rated daily capacity of 150 tons of groundwood and 200 tons of newsprint.

The Wayagamack News, Limited, will lease its plant to Wayagamack Pulp & Paper Company, Limited, for a period of years beyond the maturity of its bond issues, on terms which will fully provide for their redemption.

PRESENT AND FUTURE EARNINGS

The average earnings for the last seven years, available for bond interest, sinking fund, depreciation, depletion and War Tax, have been $900,298. It is estimated that on account of the larger tonnage over which the overhead charges will be distributed in the future, this amount of $900,298 will be increased by $208,680 to $1,108,978. Based on an estimated market price for newsprint of $70 per ton, the earnings of the new Mill, available for bond interest, sinking fund, depreciation, depletion and War Tax, will amount to $1,146,316,—which added to the earnings from the Kraft Mill, will form a sum of $2,255,294.

These net earnings of $2,255,294 represent:

(*a*) over 4½ times the amount required for the interest on the entire net outstanding bond indebtedness of Wayagamack Pulp & Paper Company, Limited, and its Subsidiary;

(*b*) a net sum of $1,642,775 available for the payment of the interest on the present bond issue of $1,500,000;

(*c*) a net surplus of $907,238 to provide for the redemption of the present bond issue.

We offer these bonds if, as and when issued and received by us, and subject to the approval of all proceedings by Messrs. Brown, Montgomery & McMichael, Montreal.

Price: 99.50 and accrued interest - to yield 6.60%

Matthews & Company
Limited
255 Bay Street - TORONTO

Geoffrion & Company
101 West Notre-Dame St.
MONTREAL

René-T. Leclerc
Incorporated
MONTREAL
160 St. James St.
QUEBEC
74 St. Peter St.

MARITIMES COAL STRIKE ALREADY LOST TO MINERS

Public Believes That Shortly the Men Will Return to the Pits

From Our Own Correspondent.

SYDNEY, N. S.—Although none of the visible facts seem to warrant it, there is at the present time throughout the province an optimistic feeling that the Nova Scotia coal strike will be settled in the near future, possibly within the next 10 days or two weeks. It may be that the wish is father to the thought with most of those who profess this conviction, for so far as can be learned its only foundation seems to be a hint thrown out by Premier Armstrong that, if the disputants do not come to some agreement he may have to introduce legislation to force a settlement. The company does not seem to be worrying greatly and is apparently prepared for a long shutdown if necessary to win the fight.

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Would Help but Little

Even if Lewis is really willing to spend some money in the district, it is doubtful if he is able to find the amount needed. The coal company in slack times considers $14 a week the minimum credit allowance for an average family. To finance District 26 on this basis would cost the International at least $70,000 a week without giving support to unmarried men.

Among the public in the strike area the conviction is general that the strike is lost and the quicker the men get back to work the better. Assistance from Indianapolis cannot do more than put off for a few weeks the inevitable day. It would be much better for everybody, including the miners, to have the strike break right now at the start of the shipping season so that the province could take advantage of the recent tariff concessions to sell more coal up the river.

There is little doubt but that if the company opened some of the mines and posted the new scale, 10 per cent. off the 1924 rates, there would be an immediate stampede back to the pits. Such a development would mean the end of the U. M. W. in Nova Scotia.

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(Continued from page 1)

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Another Eaton policy was inaugurated in inducing customers to shop early in the morning. To this end 9 o'clock specials were vigorously advertised with such success that the opening hour found Eaton's entrances crowded with waiting shoppers. This is the remarkable transformation in Montreal habits, for Montreal has been known as a city where it is impossible to get women into the stores early. Eaton's have already given indication that they will be able to change the situation and secure early morning shopping.

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Nevertheless, this big Saturday afternoon business has created a problem for the Eaton organization. In coming down here it is said that one of their plans was to adopt the Saturday afternoon closing that is enforced in their other stores, but it has been decided to study this matter carefully before taking action.

While the advent of Eaton's is understood to have had a serious effect upon some of the outlying department stores in Montreal it has been the cause of mixed feelings to some merchandising groups. These have shown a splendid spirit in welcoming Eaton's to Montreal, and are believed not only to be showing good sportsmanship, but also gratification that the locality is being so firmly established as a shopping centre. Other stores in the vicinity report improvements in their sales as a result of so many people being drawn to the section. Doubtless real estate values have already been favorably affected.

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FLOUR PRICE DECLINE INTERESTING BUYERS

Oriental and European Importers Coming Into Market Since Recent Reaction

The recent drop in the price of flour has had two diverse effects. It has enabled the Oriental and European buyers who postponed making commitments on account of the high prices, to re-enter the field as buyers on a large scale. As a consequence, a very heavy shipment of Canadian flour left Vancouver last week for Japan. On the other hand, the price decline has tended to make many of the European buyers more hesitant about making future purchases lest the uneven price might sag still further. As a result of this there has been a noticeable hesitancy on the part of European buyers.

The fact that European buyers have been watching the market carefully before making purchases has led to the stocks being low there at present, and the next few weeks, assuming present prices to be more or less permanent, ought to bring good business for the Canadian shippers since Canada is now in a better position to compete with other flour-producing countries. The average price of flour (first patent, Toronto) for the month of April last year was $6.10, as against $9.40 at present, and a considerably higher price two months ago. It seems to be the opinion of foreign buyers that the present relatively low price of flour is close to the bottom, and that it is a good time to enter the market, especially in view of the fact that farm prices are now more in line with general commodity prices, and are likely to be more stable.

Income Tax Problems

In contrast with the income tax requirements in the case of an incorporated company, there is no tax upon the income of a partnership as such, but each of the partners is required to pay his tax individually on a basis of his share in the business. If the business year of the partnership does not correspond with the calendar year, each partner is required to make out his tax form showing his share of the business done, during the partnership's year ending within the calendar year for which the return is made.

In the case of companies, there is a corporation tax of 10 per cent. levied on income exceeding $2,000. If the taxable income exceeds $5,000, the rate of the tax is increased by 5 per cent. of the original 10 per cent. As in the case of partnerships, if the company's fiscal year does coincide with the calendar year, the return must be made for the fiscal year, which ends during the calendar year for which the report is being made. If it is considered that the shareholders' accumulation of undivided profits is directed to evade the law, and exceeds the usual amount paid by such business, the shareholder may be taxed on his proportion of the undivided profits. Profits paid to the shareholders as stock dividends are liable to the income tax in the year they are paid.

The farmer and rancher are required to fill in form T1a. Deductions in the case of the farmer include board and wages of hired help, cost of seed and fertilizer, cost of small implements, and repairs to same, interest on a mortgage, or on the unpaid purchase price of the farm, and depreciation, is allowed on buildings and on certain equipment.

NEW INTERESTS FOR CHRISTIE BROWN CO.

Refinancing Announcement Explains Rumors Afloat re New Bakery Merger

The many rumors that have been about in regard to another bread and milling merger and also a merger of biscuit companies seem explained by the refinancing of Christie, Brown Biscuit Co. This is being done through a New York brokerage house, Spencer Trask and Duncanson, White, Toronto. It is understood that the refinancing and taking in of the new interest has been to allow William Christie estate to withdraw some of its money. The names of the new directors explain in part the rumors in regard to baker and biscuit mergers. Frederick K. Morrow, Toronto, vice-president of Standard Milling of Canada, is a director. He is also said to have taken control of Telfer Biscuit Co. following its reorganization about a year ago. His brother, George K. Morrow, New York, president Gold Dust Corp., is said to be president of a milling concern. The capitalization will include $1,000,000 of first mortgage 10-year 6 per cent. bonds, due 1935; $1,000,000 of 7 per cent. cumulative redeemable preference shares of $100 par, and 105,000 common shares of no par value, of which 75,000 are being issued, and the remaining 30,000 shares reserved for conversion of the preference shares at the option of the holders on the basis of three common shares for one preference share. The preferred stock is being offered to the public at $98 a share and accrued interest, yielding 7.14 per cent., and subscriptions are also being received for a limited amount of common shares at $22 a share. The offering is being made by Spencer, Trask & Co., and Hitt, Farwell & Co., of New York, and Duncanson, White & Co., of Toronto. Preference shares are redeemable in whole or in part at the option of the company upon 60 days' notice at $115 a share and accrued unpaid dividends. They are convertible at any time up to 10 days before any date specified for redemption into common shares at the rate of three common for each preferred share.

Ore receipts at the Trail Smelter of the Consolidated Mining and Smelting Co., for the period April 8, to April 14, totalled 7,436 tons, and for the year to date 110,052 tons.

FARMERS SOLD WHEAT BEFORE PRICE DROP

Volume Remaining in Country at End of March Half That of Last Year

From information just received by the Dominion Bureau of Statistics, from government crop correspondents in all sections of the country, it may be deduced that the wheat crop was largely out of the farmers' hands before the drastic decline in prices, and that the returns to the farmers were handsome. Furthermore, much of the stock which still remains in the country has been sold forward at prices which ruled some weeks ago, and that the price decline came too late to cause very serious loss to anyone except the speculators.

According to these reports, 15 per cent. of the total 1924 wheat crop remained in the farmers' hands at the end of March. This represented an actual volume of 39,225,000 bushels out of the year's total of 262,097,000 bushels. At this time last year the percentage was the same, but the actual volume was 70,755,000 bushels in the farmers' hands. This year's retention of wheat is smaller than that of any year since 1920, largely on account of the fact that the farmers sold all but actual seeding requirements owing to high prices prevailing.

Approximately the normal proportion of the wheat crop this year was marketable, viz., 95 per cent., or 250,096,000 bushels. Last year's figure was 96 per cent. In addition, 3 per cent., or 7,863,000 bushels, must be deducted for loss in cleaning.

Stocks of wheat in Canada at the end of March amounted to approximately 121,084,000 bushels, against 202,493,000 at the same time last year. This year's stock on hand comprises, in addition to the 39,225,000 above mentioned as in farmers' hands, 73,555,000 in elevators and flour mills and 8,304,000 in transit.

Bakers' Bread Big Item in Yearly Production

From Our Own Correspondent.

MONTREAL. — The bakery business has grown to large proportions in Canada and bakers' bread has replaced home-made bread on the tables of nearly all city and town homes. During 1923, government figures just issued show over 664,000,000 pounds of bread were baked in Canadian bakeries which would amount to about 50 loaves of bread for every person in Canada or over 100 loaves of bread per head for the urban population.

There is over $28,000,000 invested in the bakery business in Canada. The bakeries accounted for nearly 3,000,000 barrels of flour.

BUY GYPSUM DEPOSIT

The Manitoba Gypsum Company has bought the large deposit of gypsum near Wardner, in East Kootenay, British Columbia. It is said the company intends to develop this deposit immediately.

Tenders for Debentures

Essex County is asking for Tenders for the purchase of $140,000.00 Essex County Debentures, payable in 20 equal annual payments bearing interest at 5%, with coupons attached. Tenders will be received up till 12 o'clock noon of Tuesday, the 5th day of May, 1925. Debentures are payable at the County Treasurer's Office, Sandwich, Ont. The lowest or any tender not necessarily accepted. Tenders to be marked "Tenders for Debentures" and addressed to

JOHN F. MILLEN,
County Treasurer,
Sandwich, Ont.

Tenders for Debentures

Town of Orangeville

TENDERS will be received by the undersigned marked "Tenders for Debentures" up to the Fourth day of May, 1925, for debentures to the amount of $13,000.00 issued for the purpose of financing the construction of a reservoir for the Orangeville waterworks system. The debentures are repayable in thirty equal consecutive annual instalments of principal and interest combined, and bear interest at the rate of 5%. The annual instalment payable each year is $845.67. The debentures will have interest coupons attached and are guaranteed as to both principal and interest by the County of Dufferin.

H. B. CHURCH,
Clerk,
Orangeville, P.O.

Orangeville, April 22, 1925.

The Canadian Bank of Commerce

Dividend No. 153

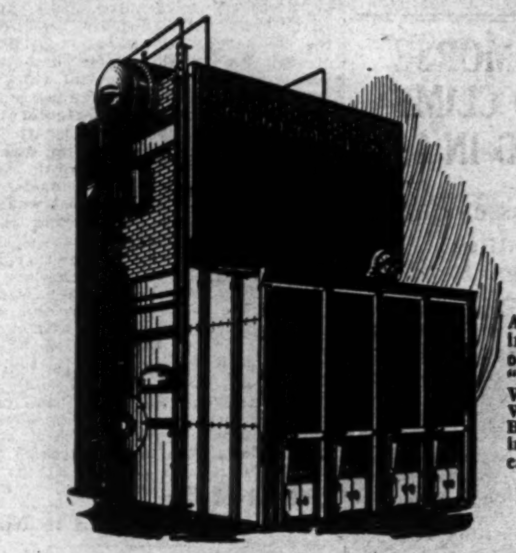
Notice is hereby given that a dividend of Three per cent., upon the capital stock of this Bank, has been declared for the quarter ending 31st May, 1925, and that the same will be payable at the Bank and its Branches on and after Monday, 1st June next.

The Transfer Books of the Bank will be closed from the 17th May to 31st May next, both days inclusive.

By order of the Board.

JOHN AIRD,
General Manager.

Toronto, 17th April, 1925.



A typical installation of an Inglis "Erie City" Vertical Water-Tube Boiler in half steel casing.

High Efficiency— with low cost of operation

An Inglis Erie City Vertical Water-Tube Boiler insures an *abundance of dry steam*, economically generated. This type of boiler is very simple in construction, remarkably free from scale trouble and provides great reserves of power for emergencies or sudden overloads.

The fact that these boilers are installed in many such plants as those listed and in every case operating to the complete satisfaction of the engineering and executive staffs, is sufficient proof why you, too, should prefer an Inglis Erie City Boiler.

Use our Consulting Bureau. They will gladly give you full information and advice without obligation.

Inglis "Erie City" Vertical Water Tube Boilers are operating in the following plants:

Winnipeg Stand-by Plant; Wm. Davies Co., Toronto; Dale Estate, Brampton; Sheet Metal Products Co., Toronto; Dominion Bank, Toronto; O'Keefe's Brewery, Toronto; Dunlop Tire & Rubber Co., Toronto.

The John Inglis COMPANY LIMITED
14 STRACHAN AVENUE TORONTO, CANADA

A FRIEND IN NEED

The judge fixed his eye severely on the prisoner.

"Flaherty," he demanded, "why did you dump your hod of brick on your friend Nolan?"

"Ye see, Judge," explained the offender, "oi once told Nolan that if he was hard up for money to come to the building where oi was workin' and oi'd do him a favor, and whin oi saw him comin' along the street, dead broke, oi dropped the bricks down on his head knowin' he had an accident policy."

—Forbes Magazine.

CANADA CEMENT CONCRETE FOR PERMANENCE

Concrete Highway on Dundas Mountain, near Dundas, Ontario

"It's the little they cost to maintain that makes Concrete Pavements economical."

Road building programmes must keep pace with traffic growth

This is admittedly a motor age. Our roads are filled with every type of motor vehicle and the number is increasing every day. The mileage of permanent highways capable of sustaining this traffic is totally inadequate.

Paving has become an economic necessity. We could not stop the growth of motor traffic if we would. We must therefore bring our roads up to a standard that will carry it with comfort, safety and economy.

Careful choice of paving material is imperative if we are to keep our road building programmes from becoming a financial burden. Concrete roads are usually the wisest selection.

They are permanent, withstanding the shocks of heavy loads that would speedily demolish a less durable material. They need very little upkeep. They protect the taxpayer's pocketbook.

Canada Cement Company Limited
Canada Cement Company Building
Phillips Square Montreal

Sales Offices at
Montreal Toronto Winnipeg Calgary

PERMANENT *Highways of* CONCRETE

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Oriental and European Importers Coming Into Market Since Recent Reaction

The recent drop in the price of flour has had two diverse effects. It has enabled the Oriental and European buyers who postponed making commitments on account of the high prices, to re-enter the field as buyers on a large scale. As a consequence, a very heavy shipment of Canadian flour left Vancouver last week for Japan. On the other hand, the price decline has tended to make many of the European buyers more hesitant about making future purchases lest the uneven price might sag still further. As a result of this there has been a noticeable hesitancy on the part of European buyers.

The fact that European buyers have been watching the market carefully before making purchases has led to the stocks being low there at present, and the next few weeks, assuming present prices to be more or less permanent, ought to bring good business for the Canadian shippers since Canada is now in a better position to compete with other flour-producing countries. The average price of flour (first patent, Toronto) for the month of April last year was $6.10, as against $9.40 at present, and a considerably higher price two months ago. It seems to be the opinion of foreign buyers that the present relatively low price of flour is close to the bottom, and that it is a good time to enter the market, especially in view of the fact that farm prices are now more in line with general commodity prices, and are likely to be more stable.

Income Tax Problems

In contrast with the income tax requirements in the case of an incorporated company, there is no tax upon the income of a partnership as such, but each of the partners is required to pay his tax individually on a basis of his share in the business. If the business year of the partnership does not correspond with the calendar year, each partner is required to make out his tax form showing his share of the business done, during the partnership's year ending within the calendar year for which the return is made.

In the case of companies, there is a corporation tax of 10 per cent. levied on income exceeding $2,000. If the taxable income exceeds $5,000, the rate of the tax is increased by 5 per cent. of the original 10 per cent. As in the case of partnerships, if the company's fiscal year does coincide with the calendar year, the return must be made for the fiscal year, which ends during the calendar year for which the report is being made. If it is considered that the shareholders' accumulation of undivided profits is directed to evade the law, and exceeds the usual amount paid by such business, the shareholder may be taxed on his proportion of the undivided profits. Profits paid to the shareholders as stock dividends are liable to the income tax in the year they are paid.

The farmer and rancher are required to fill in form T1a. Deductions in the case of the farmer include board and wages of hired help, cost of seed and fertilizer, cost of small implements, and repairs to same, interest on a mortgage, or on the unpaid purchase price of the farm, and depreciation, is allowed on buildings and on certain equipment.

NEW INTERESTS FOR CHRISTIE BROWN CO.

Refinancing Announcement Explains Rumors Afloat re New Bakery Merger

The many rumors that have been about in regard to another bread and milling merger and also a merger of biscuit companies seem explained by the refinancing of Christie, Brown Biscuit Co. This is being done through a New York brokerage house, Spencer Trask and Duncanson, White, Toronto. It is understood that the refinancing and taking in of the new interest has been to allow William Christie estate to withdraw some of its money. The names of the new directors explain in part the rumors in regard to baker and biscuit mergers. Frederick K. Morrow, Toronto, vice-president of Standard Milling of Canada, is a director. He is also said to have taken control of Telfer Biscuit Co. following its reorganization about a year ago. His brother, George K. Morrow, New York, president Gold Dust Corp., is said to be president of a milling concern. The capitalization will include $1,000,000 of first mortgage 10-year 6 per cent. bonds, due 1935; $1,000,000 of 7 per cent. cumulative redeemable preference shares of $100 par, and 105,000 common shares of no par value, of which 75,000 are being issued, and the remaining 30,000 shares reserved for conversion of the preference shares at the option of the holders on the basis of three common shares for one preference share. The preferred stock is being offered to the public at $98 a share and accrued interest, yielding 7.14 per cent., and subscriptions are also being received for a limited amount of common shares at $22 a share. The offering is being made by Spencer, Trask & Co., and Hitt, Farwell & Co., of New York, and Duncanson, White & Co., of Toronto. Preference shares are redeemable in whole or in part at the option of the company upon 60 days' notice at $115 a share and accrued unpaid dividends. They are convertible at any time up to 10 days before any date specified for redemption into common shares at the rate of three common for each preferred share.

Ore receipts at the Trail Smelter of the Consolidated Mining and Smelting Co., for the period April 8, to April 14, totalled 7,436 tons, and for the year to date 110,052 tons.

FARMERS SOLD WHEAT BEFORE PRICE DROP

Volume Remaining in Country at End of March Half That of Last Year

From information just received by the Dominion Bureau of Statistics, from government crop correspondents in all sections of the country, it may be deduced that the wheat crop was largely out of the farmers' hands before the drastic decline in prices, and that the returns to the farmers were handsome. Furthermore, much of the stock which still remains in the country has been sold forward at prices which ruled some weeks ago, and that the price decline came too late to cause very serious loss to anyone except the speculators.

According to these reports, 15 per cent. of the total 1924 wheat crop remained in the farmers' hands at the end of March. This represented an actual volume of 39,225,000 bushels out of the year's total of 262,097,000 bushels. At this time last year the percentage was the same, but the actual volume was 70,755,000 bushels in the farmers' hands. This year's retention of wheat is smaller than that of any year since 1920, largely on account of the fact that the farmers sold all but actual seeding requirements owing to high prices prevailing.

Approximately the normal proportion of the wheat crop this year was marketable, viz., 95 per cent., or 250,096,000 bushels. Last year's figure was 96 per cent. In addition, 3 per cent., or 7,863,000 bushels, must be deducted for loss in cleaning.

Stocks of wheat in Canada at the end of March amounted to approximately 121,084,000 bushels, against 202,493,000 at the same time last year. This year's stock on hand comprises, in addition to the 39,225,000 above mentioned as in farmers' hands, 73,555,000 in elevators and flour mills and 8,304,000 in transit.

Bakers' Bread Big Item in Yearly Production

From Our Own Correspondent.

MONTREAL. — The bakery business has grown to large proportions in Canada and bakers' bread has replaced home-made bread on the tables of nearly all city and town homes. During 1923, government figures just issued show over 664,000,000 pounds of bread were baked in Canadian bakeries which would amount to about 50 loaves of bread for every person in Canada or over 100 loaves of bread per head for the urban population.

There is over $28,000,000 invested in the bakery business in Canada. The bakeries accounted for nearly 3,000,000 barrels of flour.

BUY GYPSUM DEPOSIT

The Manitoba Gypsum Company has bought the large deposit of gypsum near Wardner, in East Kootenay, British Columbia. It is said the company intends to develop this deposit immediately.

Tenders for Debentures

Essex County is asking for Tenders for the purchase of $140,000.00 Essex County Debentures, payable in 20 equal annual payments bearing interest at 5%, with coupons attached. Tenders will be received up till 12 o'clock noon of Tuesday, the 5th day of May, 1925. Debentures are payable at the County Treasurer's Office, Sandwich, Ont. The lowest or any tender not necessarily accepted. Tenders to be marked "Tenders for Debentures" and addressed to

JOHN F. MILLEN,
County Treasurer,
Sandwich, Ont.

Tenders for Debentures

Town of Orangeville

TENDERS will be received by the undersigned marked "Tenders for Debentures" up to the Fourth day of May, 1925, for debentures to the amount of $13,000.00 issued for the purpose of financing the construction of a reservoir for the Orangeville waterworks system. The debentures are repayable in thirty equal consecutive annual instalments of principal and interest combined, and bear interest at the rate of 5%. The annual instalment payable each year is $845.67. The debentures will have interest coupons attached and are guaranteed as to both principal and interest by the County of Dufferin.

H. B. CHURCH,
Clerk,
Orangeville, P.O.

Orangeville, April 22, 1925.

The Canadian Bank of Commerce

Dividend No. 153

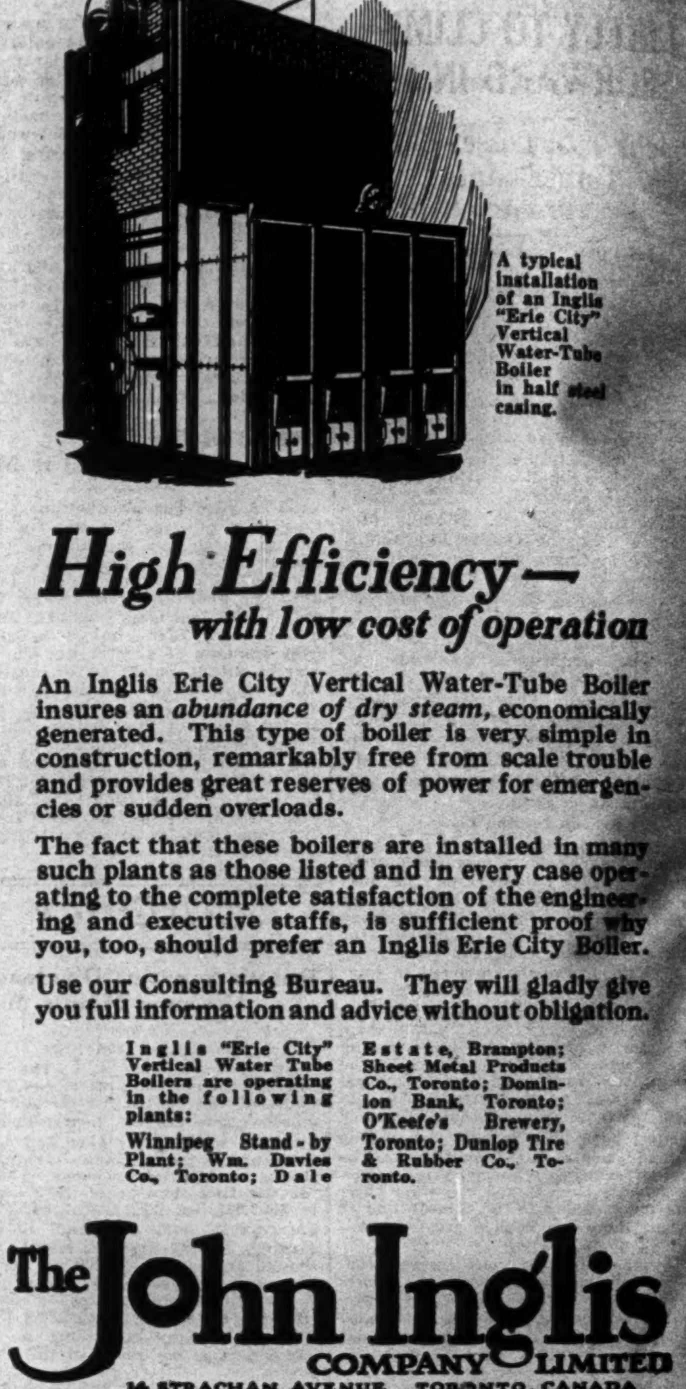
Notice is hereby given that a dividend of Three per cent., upon the capital stock of this Bank, has been declared for the quarter ending 31st May, 1925, and that the same will be payable at the Bank and its Branches on and after Monday, 1st June next.

The Transfer Books of the Bank will be closed from the 17th May to 31st May next, both days inclusive.

By order of the Board.

JOHN AIRD,
General Manager.

Toronto, 17th April, 1925.


A typical installation of an Inglis "Erie City" Vertical Water-Tube Boiler in half steel casing.

High Efficiency—
with low cost of operation

An Inglis Erie City Vertical Water-Tube Boiler insures an *abundance of dry steam,* economically generated. This type of boiler is very simple in construction, remarkably free from scale trouble and provides great reserves of power for emergencies or sudden overloads.

The fact that these boilers are installed in many such plants as those listed and in every case operating to the complete satisfaction of the engineering and executive staffs, is sufficient proof why you, too, should prefer an Inglis Erie City Boiler.

Use our Consulting Bureau. They will gladly give you full information and advice without obligation.

Inglis "Erie City" Vertical Water Tube Boilers are operating in the following plants:

Winnipeg Stand-by Plant; Wm. Davies Co., Toronto; Dale Estate, Brampton; Sheet Metal Products Co., Toronto; Dominion Bank, Toronto; O'Keefe's Brewery, Toronto; Dunlop Tire & Rubber Co., Toronto.

The John Inglis COMPANY LIMITED
14 STRACHAN AVENUE TORONTO, CANADA

A FRIEND IN NEED

The judge fixed his eye severely on the prisoner.

"Flaherty," he demanded, "why did you dump your hod of brick on your friend Nolan?"

"Ye see, Judge," explained the offender, "oi once told Nolan that if he was hard up for money to come to the building where oi was workin' and oi'd do him a favor, and whin oi saw him comin' along the street, dead broke, oi dropped the bricks down on his head knowin' he had an accident policy."

—Forbes Magazine.

Road building programmes must keep pace with traffic growth

This is admittedly a motor age. Our roads are filled with every type of motor vehicle and the number is increasing every day. The mileage of permanent highways capable of sustaining this traffic is totally inadequate.

Paving has become an economic necessity. We could not stop the growth of motor traffic if we would. We must therefore bring our roads up to a standard that will carry it with comfort, safety and economy.

Careful choice of paving material is imperative if we are to keep our road building programmes from becoming a financial burden. Concrete roads are usually the wisest selection.

They are permanent, withstanding the shocks of heavy loads that would speedily demolish a less durable material. They need very little upkeep. They protect the taxpayer's pocketbook.

Canada Cement Company Limited
Canada Cement Company Building
Phillips Square Montreal
Sales Offices at
Montreal Toronto Winnipeg Calgary

Concrete Highway on Dundas Mountain, near Dundas, Ontario

"It's the little they cost to maintain that makes Concrete Pavements economical."

PERMANENT *Highways of* CONCRETE

PSYCHOLOGY NOT ONLY FACTOR IN TRADE DEPRESSION

Underlying Conditions Must Be Corrected Before Healthy Recovery

By J. B. ALEXANDER.

In the year 1923 a theory was propounded, which gained wide acceptance in the United States, that trade depressions were merely psychological and that the depression of that time was only a result of the lassitude following the war. The disease having been diagnosed, the cure was simple and in a short time the country was flooded with business prophets who preached that prosperity would return so soon as people gave up talking depression and the cry "business is good" was made to sound throughout the country. The people heard, were convinced, and acted accordingly. The manufacturers began to increase their output, the merchants to stock their shelves and a small boom developed. The boom, however, lasted only a few months; then died out. The merchants found that they had loaded their shelves with goods which refused to move and curtailed their orders; the manufacturers closed down again and the depression of 1924 was inaugurated.

Again, business began to pick up, but the business men who had been caught in the fictitious boom of 1923 were not to be fooled a second time, and it is interesting to note that, in spite of the real improvement in conditions, inventories have been kept low and business in the United States is in an unusually sound and liquid condition. The merchant is keeping his stock at a minimum; the wholesaler is carrying no unnecessary supplies on hand but waiting until he has the goods sold before ordering from the manufacturer, and the manufacturer will not produce until he sees his orders ahead.

The above would indicate that there is something more behind the recurring periods of business expansion and depression than psychological factors, and most students of economics would agree that the explanation lies in some maladjustment of the various factors of production and consumption. Overproduction was at one time assumed to be the cause, but as the demands of mankind are insatiable there is no such thing as general overproduction, although there may be overproduction of certain goods in relation to others, or in other words, a misdirection of productive energy. The co-ordination of production and consumption is accomplished by means of changes in prices. When production of certain goods exceeds the demand the price falls, increasing the demand and discouraging production. Similarly, when the demand exceeds the supply, the price rises and production is stimulated. Owing, however, to the long time that expires between the production of the raw material and the sale of the finished product under the modern system of production, this adjustment may take several years to complete.

Production Over-Expanded

During the war, wages and other costs rose rapidly and large capital investments were made in plant and machinery in order to furnish munitions and supplies to the allied armies. Costs were almost disregarded in the eagerness to stimulate production. When the war had ended and the bottom had fallen out of the post-war boom, business in this country found itself faced with reduced markets, while owing to excess plant capacity, high labor costs, and high cost of material it was very difficult to meet foreign competition either in our own markets or abroad. To add to our troubles, owing to the impoverished condition of Europe, our farmers could only market their wheat at a price which barely paid production costs and were in consequence compelled to restrict purchases, which still further reduced the market for our manufacturers.

The most encouraging factor in the present outlook is the way in which the farmer is coming back into his own. The price obtained this year for his wheat has been exceedingly satisfactory; there is a distinct improvement in the prices being obtained for live stock and a demand has again sprung up for western farm lands which have been totally unsalable for some years. This improvement in the farmer's position is largely attributable to the improved condition in Europe, and for that reason we should be on our guard against excessive optimism. Although the acceptance of the Dawes' plan did much to clear the air there are many problems remaining to be solved. The Treaty of Versailles broke Europe up into a number of small states, each with its own custom boundaries, and in most cases high protective walls have been raised which hamper the natural flow of trade. Suspicion and distrust are still much in evidence and some countries are spending greater sums on armaments and preparations for war than they can afford. Both here and in other countries enterprise is being hampered by the imposition of burdensome taxes and more money is being spent on various governmental activities than the countries can spare. The recent drop in wheat suggested that the European consumer must cut his coat to his cloth and will meet any undue increase in prices by reducing his ration. However, there seems to be reason to think that the decline has been rather overdone as the carry-over of wheat this summer is likely to be unusually small and there is evidence of a distinct betterment of European conditions since this time a year ago. Altogether, conditions would seem to warrant a real, if restrained, optimism.

Psychology, as we have already seen, is not the sole or even the main factor in business depressions, but it undoubtedly has a powerful influence. To stimulate optimism deliberately, when the basic factors are not right, is to create a fool's paradise. On the other hand, when we find that people are grumbling less, working with more vigour, and looking to the future with sober hopefulness, when we observe signs of improvement in the volume of employment without any of the familiar marks of overtrading or inflation we may safely hope that we are at last on the eve of a better day.

TO PROLONG TIMBER SUPPLY OF QUEBEC

Quebec Government Will Set Aside Reserves to Protect Existing Wood-Using Mills

From Our Own Correspondent.

MONTREAL. —— Conservationist measures are to be actively promoted in Quebec forests, according to officials of the department of lands and forests, of which Hon. Honore Mercier is the minister. Forest reserves will be created.

The purpose of Hon. Mr. Mercier's legislation in creating these forest reserves is to place aside from the ordinary Crown timber lands the forest areas at the river drainage basis so that the mills actually located there will not run short of wood. Ordinarily, such areas would be put up for auction, and the cutting rights go to the highest bidder, which would mean in some cases that the wood cut would be taken away from the district, and that ultimately the mills now located would run short of raw material.

When these reserves are put up at auction conditions will be imposed which will mean that the mills located in the neighborhood will be in a position to get the wood needed on special terms. It is probable, also, that with a view to forest conservation Hon. Mr. Mercier will have the trees to be cut marked, so as to ensure cutting on methodical lines.

The engineers of the government will shortly be out surveying the forest areas in the drainage basins of the province, and following this survey steps will be taken to clean up the forests in the matter of burned over sections, fallen trees, and brushwood. It will then be a matter of arranging for this wood to be cut away, which will probably be by means of tender so as to secure the best possible prices for the department, and the Minister will then be in a position to meet the demands of the neighborhood mills in need of wood on the basis provided for ty the law.

The department is completing the organization for protection of the forests against fire, and within 15 days the government rangers, and the rangers working for the protective associations of the companies will be out on their "beats." For the first time in the history of forestry protection, both the government men and those of the companies will wear uniform, similar in each case except for special marks to distinguish the employer in each case. People going into the forests will therefore know immediately with whom they are dealing when given instructions as to forest protection.

ADJUSTING SALARIES AS FACTOR IN COSTS

Suggestion That There May be a Saving Here as Well as in Wages

NEW YORK.—The necessity for reducing the costs of executive administration as well as of labor and the salaries of executives as well as the wages of workers in the adjustment of production costs is brought out by the National Bank of Commerce in New Pork:

Better and cheaper processes are being sought and found, and lower wages are being discussed with occasional reductions here and there in some industries, but there is one obvious method of lowering costs which is being overlooked, or if not overlooked, mentioned only with extreme hesitation. That is the elimination of unproductive yet comparatively highly paid executives. Men with vision and the will to make the vision a reality furnish the motive power of their organizations and there is no yardstick by which the value of their services can be determined. There are many who believe they are of this type and who during the war years and the postwar boom persuaded others that they were. In consequence many business organizations are now handicapped with an overload of comparatively high-priced executives whose services are unproductive.

A result of this situation is that such men at high salaries are busied on routine matters which they handle badly or which they try to unload on others by gathering assistants around them. This evil is always more or less present, being frequently the result of failure of promising employes to develop as it was hoped they would do when promoted to executive positions and subsequent lack of courage to correct the errors made. Elimination of unnecessary highly-priced officers and employes who are engaged on tasks which lower-paid men could do as well or better will cut into costs. The economy campaign should not pass by the executive staff. When costs have been reduced there, much progress will have been made toward better profits.

New Manitoba Fund to Defeat Ravages of Rust

WINNIPEG.—The $128,000 received by Hon. John Bracken, provincial treasurer, as Manitoba's share of the surplus moneys of the Canada Wheat Board of 1919, will be put into a trust fund, the revenue from which will be devoted to agricultural research work. Particular attention, the premier stated, would be given to scientific investigation toward producing a wheat immune from rust.

JAP SITUATION AT COAST REQUIRES CAREFUL HANDLING

Have Been Entering Canada at Four Times the Rate Agreed Upon

From Our Own Correspondent.

VANCOUVER. — Announcement from Ottawa that steps are to be taken to curb Japanese immigration into Canada has aroused considerable public interest in British Columbia, which is "the California of Canada" so far as the influx of Orientals is concerned. It has been revealed in the House of Commons that Japanese have been streaming into Canada at a rate four times the number provided for in the so-called "gentlemen's agreement," which evidently has collapsed. Prime Minister King promises that efforts will be made to remedy the situation by closer supervision of the existing agreement, or, in the event of failure to obtain results in that way, by enforcing a new set of regulations.

Not long ago Japanese enjoyed a virtual monopoly of certain branches of the fishing industry. The monopoly has been broken by enforcement of new fisheries regulations which reduce the number of licenses to Asiatics year by year. It is suggested that similar regulations might be applied to other industries in which Japanese are engaged in competition with whites. Apart from fishing, the Japanese have extensive interests in orchards and other farm lands.

Whatever is done, British Columbia business men urge cautious action and the exercise of as much diplomacy as possible. They believe that if the facts of the case are honestly presented to the Japanese authorities there will be no difficulty in the way of getting regulations governing immigration that will really be effective. Canada's exports to Japan now aggregate over $25,000,000 annually, and this trade, which has been carefully built up, is threatened with dislocation if anything is done that will offend the people of Japan. The Japanese have shown themselves to be jealous of their rights in the past, especially in their relations with the United States, and British Columbians do not wish to stir trouble in their province similar to California's experience. The point out, however, that Canada really needs no greater concession from Japan than the assurance that there is justice in granting Japanese in Canada no greater privileges than Canadians are accorded in Japan.

U.S. REDUCES OUTPUT AS DEMAND DECLINES

Trade Reaction Has Been Orderly and Underlying Conditions are Inherently Sound

Following are some of the salient features mentioned in the most recent report of the United States Bureau of Commerce, with regard to business and industrial conditions in that country:

The severe break in the stock market and the tremendous drop in the price of wheat have disturbed confidence in the business situation. The absence, however, of price inflation, which some people had feared might develop, is reassuring, and there is evidence that business, if not as profitable as had been hoped for, is of large volume with underlying conditions generally sound. There is no large amount of buying ahead, as buyers continue to purchase on a conservative scale.

For some time it has been apparent that steel output was exceeding consumption and a curtailment had to take place. Production had risen to an average of 85 per cent. of capacity with 100 per cent. in the Chicago district. A recent slackening in the demand for steel products is causing reduction in manufacturing. Thus far, however, the decrease has been only slight and it has occurred mainly at independent plants, the Steel Corporation operating at about 94 per cent.

Of even more significance than this decline in production is the fact that the general price situation reflects less strength. Although published prices of steel show no change, signs of easing from the higher prices established earlier in the year and further reductions in pig iron prices are reported. It is estimated that steel production has been exceeding consumption by about one-fourth so that no great amount of new buying is expected in the near future. There is, however, no concrete evidence that buyers are over-supplied as would be shown by requests for postponement of shipments.

Lack of orders have been forcing textile plants to shut down in a few instances, while many others are slowing down on production.

The automobile industry is operating far below last year's rate. During January and February of this year 465,694 passenger cars were produced compared with 637,266 produced in the first two months of last year. The industry, however, is operating at above 85 per cent. of capacity. Some price reductions have already been made and others are expected, especially in the higher priced cars which have not moved so briskly this spring as in former years. Production of quality cars is still on a curtailed basis.

Since the first week of March, when the market reached its highest level of the post-war period, industrial stocks have lost about ten points and rails about six. An enormous amount of speculation developed after the election and carried the market upward very quickly. The severe shaking out which has gone on throughout the month has made certain elements in the business community lose confidence in the general situation despite the fact that the underlying situation is remarkably sound.

The bond market which started its downward movement two weeks before the stock market began to decline, has gone down very gradually. The money market has reacted to this situation with rates for call loans ranging between three and five per cent. The market for foreign bonds, however, has not been materially affected, and a large number of bonds have been placed in the New York market during March.

Kodak Withdraws Fixed Retail Selling Prices

The Canadian Kodak Company has withdrawn its policy of fixing the retail price of its product. No longer is any condition stipulated as to the price at which and Kodak product should be resold by dealers.

"In offering our goods to dealers on the basis mentioned above," reads the announcement, "we believe we are acting in accordance with tendencies that are developing in business. A considerable body of retail trade feels that, when goods are purchased from a manufacturer or wholesaler, complete freedom should exist as to how the retailer disposes of them; that if he wishes to share his profit with another retailer or with a customer on any particular order, the goods becoming the dealer's property when purchased in the regular course, he should be free to do so.

"Substantially, it seems to be felt that the retailer is the best judge as to the price he asks for his goods. Repeatedly we have had representations of this general tenor from dealers, arising out of various sets of circumstances.

"Photographic goods in general have grown out of the strict field of specialties, as is evidenced by the very extensive scale on which they are handled to-day—retailers in nearly every class of business.

"Such being the case, it seems to us that our former restrictive policy no longer serves the best interests of the dealer, the public or of ourselves, and the terms of sale are therefore discontinued."

It is Buying Power You Want to Reach

Men with big purchasing power read trade newspapers.

Here are a few examples:—

In Guelph the estimated volume of business done by the grocer trade is $1,600,000. The total value of sales by grocers who are readers of CANADIAN GROCER was $1,200,000 — 75% of the whole, and this 75% includes all the best merchants. The remainder — 25% — is made up of small men with an average turnover of less than $10,000.

Or take Belleville. Here the estimated volume of business done by grocers, dry goods merchants, and men's wear merchants is $3,528,000. The total amount of business done by readers of the three trade papers, CANADIAN GROCER, DRY GOODS REVIEW and MEN'S WEAR REVIEW is just on $2,920,000 —over 80%.

Take Cobourg, another town in Ontario; the approximate volume of dry goods business in this town last year was $448,000 and sales by readers of DRY GOODS REVIEW amounted to $435,000 — 95%.

Or take one paper alone, HARDWARE AND METAL, in the following cities: — Kitchener, London, Kingston, Port Arthur, Sault Ste. Marie, Ottawa, Fort William. The total rating of hardware stores in these places is $6,301,000. The total rating of subscribers to HARDWARE AND METAL in these places is $6,231,500. You will therefore see that HARDWARE AND METAL reaches by paid invitation over 98% of the total ratings of hardware firms in these cities.

And so we could go on quoting instances of this kind. Is not this then a clear proof that the best way to reach these men who have the largest buying power in the community is by means of the business papers?

They read business papers more carefully than they read any other class of advertising medium.

Glance through the list of business papers listed below and see how they cover the business run by the influential men in your district. It is through them you can best reach the buying power in any community.

Write for advertising rates and any other information to

The MacLean Publishing Co.
143-153 University Avenue, Toronto

Publishers of:

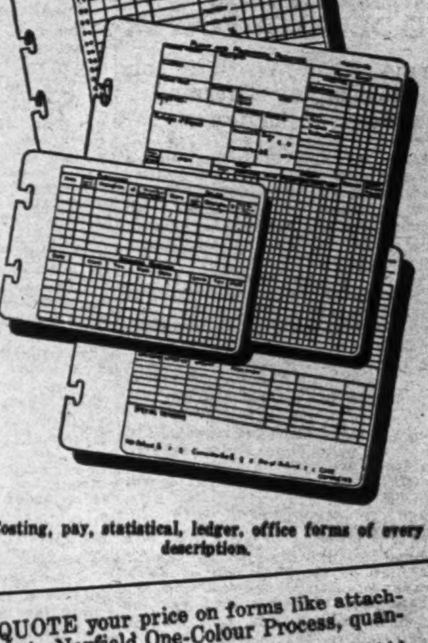
Canadian Grocer
Hardware and Metal
Dry Goods Review
Men's Wear Review
Bookseller and Stationer
Canadian Machinery
Canadian Foundryman
Drug Merchandising
Power House
Printer and Publisher
Sanitary Engineer
Canadian Automotive Trade

New—Cheaper—Better
Process for Printing Loose Leaf Forms

THE costly process of ruling and printing office forms has now been superseded by the new Norfield Process, which completes at one operation the most complicated statistical forms at 10% to 20% less cost.

The new process eliminates mechanical ruling. It is absolutely accurate and most economical for the largest statistical forms up to 17 or 22½ inches—with none of the limitations of mechanical ruling.

It is entirely satisfactory for forms for loose-leaf books of any make, size or kind. Continuous users of loose-leaf forms are astounded at the prices at which we can execute orders.



Costing, pay, statistical, ledger, office forms of every description.

Direct to users only, not through stationers.

Norfield
LOOSE LEAF BOOKS

Send specimen of any form you use, and compare our prices with what you now pay. Sample Norfield One-colour Process form on request.

MORLAND & IMPEY (Canada) Limited
70 Bond Street, Toronto

Home Office & Works: Northfield, Birmingham, England.
Branches all over the world.

QUOTE your price on forms like attached in Norfield One-Colour Process, quantities of ....
Name ....
Business .... (4)
Address ....

SAYS U.S. LOANS TO THE GERMANS MENACE INDUSTRY

Industrial Leader Thinks Loans Should Be Conditional

*By O. B. ILES,
President International Machine Tool Co.

The announcement of a ten million dollar loan to the German Krupp organization by United States bankers, and almost immediately following this, announcement that the Krupps had taken over a big Spanish organization, including plants, mines, etc., and thereby had transferred large orders for machinery and equipment to German industries, has created considerable discussion among industrial executives, and has called attention to the destructive results of such loans to machinery and equipment manufacturers on the American continent.

Until very recently the United States has been a borrowing nation. During its period of construction and expansion, it was necessary to seek financial aid in the money centres of Europe. As time goes on we will come nearer and nearer the saturation point in the demand for machinery and equipment for home expansion purposes.

It will be necessary for us to seek new outlets for our machinery and equipment; it will be necessary for us to change our attitude from that of a borrowing nation to that of a loaning nation.

Foreign Loans in 1924

During 1924, commerce reports state that the bankers of the United States loaned to foreign nations and industrials the sum of $1,208,438,394 and that $314,805,000 of this was used for refunding purposes, leaving a balance of nominal new capital loans of $893,633,394.

These amounts were loaned to governments for refunding and taking up deficits and to industrials for refinancing and expansions.

In addition to the above amounts, there are reports, believed reliable, that about $300,000,000 additional was loaned to industrials by United States bankers not reported.

So far as we know, no thought was given by the bankers of the United States in making these loans as to the effect they would have upon industrial interests.

England, Germany, Belgium, France, Holland and other nations, which in the past have grown to be largely industrial, have had dominions upon which they depended for an outlet for the products of their manufacturing institutions. They have jealously guarded the interests of manufacturing institutions within their borders, knowing full well that their general prosperity depended upon the prosperity of these institutions.

Ignore United States Welfare

Apparently the bankers of the United States have given no such thought to industries and manufacturers of machinery and equipment.

Due to their form of government, the commercial and business interests of these other nations were able to enlist the active co-operation of all of the diplomatic representatives and commercial attaches, not only in dominions, but also in all other countries.

They have been able in the past and are now getting the co-operation of their bankers in addition to all diplomatic representatives in the interests of their industries and manufacturers and their welfare.

When a railroad is built in China or Chile or India and English capital or German capital is used to finance this railroad, there is a clause in the agreement, making it necessary to spend the money for the material, machinery and equipment in England or Germany according to the source of the financial assistance.

With the very close co-operation of the diplomats and attaches, these orders for machinery and equipment do come to the manufacturers of the country furnishing the finances.

We think that there is an opportunity under the present conditions for bankers to be of real constructive service to manufacturers of machinery and equipment.

*From an article specially contributed to Canadian Machinery by the National Machine Tool Builders' Association.

HARNESS GEYSERS TO DEVELOP POWER

California Firm Working on Plan to Employ Thermal Power of Section

Probability of new financing for a unique purpose is discerned, as well as the possibility of a new source of electric power at low cost, in connection with developments looking to the harnessing of thermal power in the Sonoma County geyser region of California.

Benjamin H. Dibblee, resident partner of E. H. Rollins & Sons in San Francisco, has made the following statement:

"I have been following the development work at the geysers for more than two years, feeling that harnessing the subterranean energy would be the next step in power development from natural resources.

"Although a plant has been successfully operated for some time from natural steam in Italy, this is the first serious effort made along similar lines in the United States.

"Through an arrangement with the Geysers Development Co. our firm has been engaged in sinking wells and making other tests under the direction of John D. Galloway, of San Francisco, and W. A. Breckenridge, vice-president of the Southern California Edison Co., with a view of determining the feasibility of developing electric energy. These engineers have reported to us they believe the project entirely practical, and I am convinced that electric power in considerable amounts can be successfully produced.

"Already three wells have been sunk on the property of the company, which measurements of steam show should develop in excess of 2,000 h.p., and there is every reason to believe that a very much larger amount of power can be obtained from additional wells.

"Our firm has taken a leading part in the development of the natural resources of California and other parts of the country. It has agreed to use its best efforts to finance the development of this unique project and thereby help to keep California at the head of the column of the march of progress.

"Incidentally, a successful power plant at the geysers would turn the eyes of the entire engineering world to California."

COLONIZATION MAY SAVE BIG ALBERTA IRRIGATION SCHEME

Province Makes Plans to Get Settlers and Reduce Its Losses

From Our Own Correspondent.

LETHBRIDGE. —Alberta government's plans to refinance Lethbridge Northern reclamation project is announced. This scheme, embracing 100,000 acres, was financed by bonds guaranteed by the government. The plan to encourage settlers delays starting payments and gradually scales them up, spreading the total cost over 50 years. The payments are:

1927 to 1929	$2 per acre
1930 to 1933	$3 per acre
1934 to 1938	$4 per acre
1939 to 1972	$5 per acre

The government has decided to relieve the farmer of joint liability for the $5,000,000 project, holding him liable only for the $55 per acre, plus interest, as it applies to his holdings. Further, the "home place" idea is provided for, as was recommended by the United States irrigation expert, called in consultation, Dr. J. A. Widtsoe, of Utah. Under the latter, speculation will be curtailed, and the farm unit reduced to a size that can be properly handled by the average farmer. The basis is 160 acres. Settlers will be aided in becoming established on farms not exceeding that acreage. Excess holdings will be disposed of by the government, the owners giving an option to the colonization manager for resale. In connection with the "home place" idea, the government agrees to do certain things as does the settler. Incoming settlers may be helped by advances for buildings and livestock, $400 being the maximum for home buildings, to be repaid in ten years; $250 for horses, and another $200 for milk cows, the latter to be repaid by turning back one half of the monthly cream check.

Hon. J. E. Brownlee told the legislature that the amount Alberta will ultimately lose on the project rests entirely on the unoccupied land.

Already families are moving onto unoccupied farms, and this year will see about 50 new farm units under cultivation as compared with last year. The advice of Dr. Widtsoe to raise beets is being heeded, and in one section of the project alone. Monarch, 300 acres of beets will be planted. Most of this acreage will be taken care of by a colony of Russian Germans from Bessarabia, who are now enroute from Europe. There are 20 families in the colony and are being brought out under the Lutheran Land Settlement Board for settlement on lands owned by H. A. Miebach of this city, one of the large landowners on the tract.

"We will have to make the terms so reasonable that we can settle the vacant lands rapidly and thus bring them under cultivation and production. The whole scheme becomes a question of salvage for the province; we will lose heavily no matter what is done, but it is the government's belief that the wisest step is to colonize the district and, by assisting settlers in the early stages, get the project under intensive production where it will eventually take care of itself."

COMPETITION BY GOVERNMENT IS NOT THE ANSWER

(Continued from page 1)

Lower costs of operation were of great assistance to them. For example, German wages were only about one-half those of the British.

When more than one line operates on a route, it naturally follows that a conference is called into being, there being so many matters on which action in concert is imperative that individual action would be out of the question.

Speaking of the method by which rates are arrived at on one of the great shipping exchanges, Mr. Cleminson said:

"The merchant doesn't want to give more than he need, the shipowner does not want to take less than he need. In their case their freights are dictated simply by the law of supply and demand and the success of a shipbroker depends largely upon being able to prophesy in what market there is likely to be the greatest shortage as well as upon his skill as a negotiator. The fluctuations are great from day to day, from month to month and from year to year.

"The shipper by liner does not want the instability of tramp freights. He could not contemplate haggling daily for freight on his goods, and if he did the trouble and expense falling upon him both directly and indirectly through the freight would be considerable. Just imagine what would be the position of a shipowner or agent in Montreal, if he had to haggle each day with every one of his liner shippers; how enormously he would have to increase his office staff with men of the first order; yet it is a comparatively simple thing to charter one tramp steamer carrying as great a quantity of cargo."

Speaking of the way that differentials arise in rates to continental ports, as compared with those to the United Kingdom, Mr. Cleminson said:

"Let us suppose they begin rate-cutting. The British owners in the trade must either meet the rates or get out. They do their best to meet the rate and a differential results. The exporter naturally does not like it any more than the shipowner does, and if he is out of touch with the shipowner he may call it 'discrimination,' and ask for government interference. What government is to do the controlling? Shall Germany under some international arrangement compel her shipowners to increase their freights? It is clearly unthinkable. Shall Great Britain either order the British shipowner to increase his continental freights, or reduce his United Kingdom freights? Nothing could please or assist the Continental shipowner more than that the government of Great Britain should do either.

Rate Control Impractical

"'Neither the commission on shipping rings, the Dominions' royal commission, nor the Imperial shipping committee have recommended control of freights. The strong recommendation of all these bodies was the formation of shippers' associations, discussions with them from time to time, with the power to call for investigation.

"I am convinced that control of freights is impracticable and undesirable in the interests of the public. There is nothing more fluid in the whole of shipping than commerce.

"If local control were established tramps would naturally move from the restricted area, and according to the strength of the demand, liner tonnage would tend to follow."

Profits Are Slim

That the margin of profit between receipts and expenditure is small was made apparent from the following authoritative statement of where the money goes during the year, taken from an address delivered by Sir Frederick Lewis of the Gulf Line:

"Forty-nine days' freight earnings have been absorbed by port charges; 105 days' freight earnings have been absorbed by costs of loading and discharging cargo; 33 days' freight earnings have been absorbed by crews' wages; 21 days' freight earnings have been absorbed by stores and provisions; 26 days' freight earnings have been absorbed by insurance and cargo claims; 17 days' freight earnings went for repairs and maintenance; 26 days' freight earnings went for freight commissions, brokerages and advertising; 69 days' freight earnings went for fuel;, 14 days' freight earnings went for depreciation at five per cent. on the written down value of the vessels. These accounted for 360 days, leaving six days' freight earnings for taxes, overheads and interest on capital."

Operating Results

The following statement showing operations of cargo vessels operating between Canadian ports and in the United Kingdom during 1923 and 1924 was submitted to the House committee on ocean rates and sworn to by a representative of the accounting firm of Price, Waterhouse & Co.

STATEMENT OF COMBINED EARNINGS AND OPERATING EXPENSES OF CARGO STEAMERS OF VARIOUS STEAMSHIP LINES OPERATING IN THE NORTH ATLANTIC CANADIAN TRADE

	1923	1924
Freight	$6,360,587	$8,698,544
Operating—		
Port charges	$2,741,332	$3,402,346
Fuel	1,456,216	1,920,767
Wages	721,565	644,161
Stores	369,098	446,623
Insurance	567,771	536,632
Repairs	409,836	881,940
Expenses	270,391	528,640
Sundries	273,500	302,379
Total	$6,809,711	$8,363,493
Profit or Loss	$ 449,123	$ 335,050
Depreciation	866,884	1,165,530
Loss after charging Depreciation but before making provision for lay-ups	$1,316,008	$ 830,479

The Big Change in World Affairs

By WILLIS H. BOOTH,
Vice President Guaranty Trust Company of New York and President International Chamber of Commerce, in Collier's Weekly.

A big, important change in the handling of international affairs is now taking place. It is so big and so important that I believe it is leading us into what deserves to be called by that often misused phrase, "a new era."

What is happening is that in the conduct of international affairs politicians are being superseded by business men.

And they are being superseded because the big problems which have to be dealt with nowadays are of such a character that only a man with business and financial training and experience is competent to solve them. That is why a young New York financier is the biggest boss in Europe to-day, charged with the duty of executing the scheme for ending the chaos in Western Europe.

That is why this scheme was drawn by a group of business men, including a Los Angeles banker, a Chicago banker and New York industrialist, after the politicians had battered their heads against a stone wall for six years in vain.

It is only lately that international affairs have assumed this aspect. In ancient times, the relations between states were of such character that the politician could conduct them about as well as anybody else. But within the past hundred years, with the rise of the factory system, the vast flow of imports and exports across national boundaries, the huge and increasing foreign investments and the complicated systems of tariffs, the problems have become too big and too different to be solved in the terms of old-fashioned "statesmanship."

And so they have had to call in the business man—the business man who has been telling them all the time:

That no country can pay any other country, over a long period, an amount substantially larger than its favorable balance of trade.

That one way to discourage a debtor nation is for the creditor nation to erect unreasonable tariff walls against it.

That foreign loans cannot be floated without reasonable security and that stability of the borrowing government is an important part of such security.

That when taxation is made too severe it simply defeats its own ends. And that the surest antidote to Bolshevism is not machine guns in the street but food in the kitchen.

The great service which has been performed by Messrs. Dawes, Young, Robinson and their associates should have two good effects:

First, it is an object lesson to the whole world on the business man's way of tackling a problem.

Second, it should help business men themselves everywhere, and particularly in America, to see the desirability of their taking a genuine interest in those relations between countries which we now misleadingly describe under the phrase "international politics."

Back before 1914 it used to be the fashion among radicals to say that international finance controlled the various governments and for strictly business reasons would prevent another war. To-day we see how false that statement was. It is true that the international financiers did not want war; but, in the first place, they were powerless to prevent it; and, in the second place, they had been so busy with their own affairs that they simply failed to realize the catastrophe toward which Europe was drifting. As soon as the die had been cast they became as aggressively patriotic, each in his own country, as anybody else.

If we are ever to do away with war—as I hope with all my heart we are—business men must change their indifferent attitude. They must realize that modern war largely grows out of a conflict of economic—that is to say, business—interests; that it is itself a business enterprise, involving as it does all the industrial resources of every nation in it; and that after a war no peace can possibly endure which is not made along sensible business lines.

The more business men think about these things, the better. That is one reason, and an important one, for the existence of the International Chamber of Commerce, of which I have the honor to be president, and which is a federation of the commercial organizations of over forty leading commercial countries.

We are living in a world too small to be compartmented off any longer.

Business and politics to-day are increasingly coming nearer together—and this is taking place, as I have suggested, not by introducing political methods into business, but by introducing business methods into politics.

INTEREST RATES TO DECLINE SLOWLY

Swiss Bank Corporation Gives Review of the Money Situation in Europe

The high level of interest rates which is at present generally prevalent in every country is a phenomenon which is meeting with the most careful attention in financial circles. The monthly bulletin of the Swiss Bank Corporation contains a study of this problem in which it is pointed out at the outset that the great increase in interest rates since the war is to be attributed to the wholesale destruction of capital incurred for entirely productive purposes. This is illustrated by an historical sketch of the course of money rates since the beginning of the 19th century. The wars of the French Revolutionary period and that which followed caused such a shortage of money that from 1800 to 1815 the rates of interest on well-secured loans often exceeded 10 per cent. During the subsequent period of peace, rates gradually declined as savings accumulated and the demand for new capital grew less, but the coming of the industrial era of railways, steamships, etc., between 1840 and 1850 again caused rates to increase. At this time, however, the funds were required for productive objects and the new enterprises which were being financed led to a further accumulation of savings, so that eventually after 1870, interest rates again fell, English Consols, for example, being reduced to 2½ per cent. and the Swiss mortgage rate falling to a general level of 4 per cent. Again, however, the low rates acted as a stimulus to the spirit of enterprise, and from the beginning of the 20th century another rise in interest rates was recorded which continued to affect the market until the outbreak of the war.

From that point onwards, however, the entire position was altered; inflation was generally resorted to as a means of meeting the expenses of hostilities and the artificial increase of the means of payment which resulted, temporarily obviated the rise in money rates which would otherwise have occurred as a result of the great expenditure of capital on nonproductive purposes. The inflation practised everywhere in varying degrees, had, as its first consequence, the foreign exchange crisis, which was everywhere followed by an increase in the rates of interest, most serious in the case of those countries where the inflation had been most marked.

The bulletin goes on to discuss the question of the rates of interest as it particularly affects the Swiss market and strongly opposes any official interferences with the course of the money market either by the fixing of a maximum rate of interest, or the nationalization of the market.

In considering the future course of interest rates the writer points out that for the moment there is in all the countries which surround Switzerland so much reconstruction still waiting to be effected that it is not possible to look forward to any considerable fall in the near future. If, however, fresh troubles, wars, or imprudent social legislation, do not occasion renewed expenditure for unproductive purposes, and if on the other hand, the accumulation of savings is not discouraged by a short-sighted social and fiscal policy, it may be presumed that gradually the formation of new capital, which is a more rapid process than it was, owing to greater economic activity and to the technical progress which has been registered, will overtake demand and it may, therefore, be hoped that there will be a slow decline in interest rates.

PUBLIC OWNERSHIP IN ONTARIO

Nelson News.—Ontario public ownership has incurred the fate of many other enterprises taken out of private hands and entrusted to those of a government. Theoretically, the notion that the public can control its own industries better than a money-making corporation has a charm and attraction for shallow thinkers. But, as Huxley once wrote, "The great tragedy of science is the slaying of a beautiful hypothesis by an ugly fact."

Atlantic Sugar Refineries Limited

REPORT OF THE DIRECTORS

To the Shareholders:

Atlantic Sugar Refineries Limited

Your Directors submit the Ninth Annual Report of your Company for the fiscal year ended December 31st, 1924.

A Statement of Assets and Liabilities as at December 31st, 1924, together with the Profit and Loss Account for the period, are appended.

Profits from operations, after provision for Income Tax, amounted to $964,103.86. Out of these profits the following charges have been provided for:

Bond Interest	$47,910.00
Bank Interest, Exchange and other interest	384,781.39
Reserve for Depreciation Plant	304,224.45
Leaving a net balance for the year of	227,188.02

After retiring First Mortgage Bonds amounting to $100,000.00 on July 1st, 1924, in accordance with the provisions of the Trust Deed, and reducing the indebtedness to the Raw Sugar Creditors by a payment of $250,000.00 on December 31st, 1924, the year's operations have improved the margin between Current Liabilities and Current Assets to the extent of over $360,000.00.

During the year expenditures for repairs and maintenance amounting to $88,537.06 have been charged directly to operations, following established practice. Betterments of $14,760.53 have been added to Plant Account. The plant has been maintained in a high state of efficiency.

The deferred indebtedness to the Raw Sugar Creditors amounting to approximately $3,900,000.00 which fell due November 23rd last, has been extended for one year to November, 1925, upon payment on December 31st of the sum of $250,000.00 on account.

Throughout the year your Company continued to be a large participant in the export business, the volume of sales being equal to those of the previous year.

It should be noted that operations for the three years from January 1st, 1922, to December 31st, 1924, have improved the Company's current financial position to the extent of $1,668,622.93, in addition to which the Company has expended $65,798.33 for permanent additions to plant and has made payments of $300,000.00 to redeem First Mortgage Bonds and $453,069.37 on account of indebtedness to raw sugar creditors, making a total of $2,487,490.63.

Respectfully submitted on behalf of the Directors,

LEWIS J. SEIDENSTICKER,
President.

Balance Sheet as at 31st December, 1924

Assets

Fixed Assets:		
Land, Buildings, Wharves, Plant and Equipment	$5,949,404.53	
Franchises, Leases and Goodwill	3,000,000.00	
		8,949,404.53
Current Assets:		
Cash in Banks and on Hand	74,467.96	
Accounts and Bills Receivable	86,709.65	
Investments	139,825.00	
Inventories	511,202.80	
		812,205.41
Other Assets:		
Expenditure made on account of future business		13,486.64
Profit and Loss Account—Deficit		4,259,195.93
		$14,034,292.51

Balance Sheet as at 31st December, 1924

Liabilities

Capital Stock:		
Authorized—		
30,000 7% Cum. Com. Pref. Shares of $100 each	$3,000,000.00	
35,000 Common Shares of $100 each	3,500,000.00	
Since authorization 13,889 shares of Preferred Stock have been converted to Common Stock.		
Issued—		
11,111 7% Cum. Con. Pref. Shares of $100 each	1,111,100.00	
48,889 Common Shares of $100 each	4,888,900.00	
		$6,000,000.00
Note—Dividend paid on Preferred Shares to 30th September, 1920.		
Bonds:		
Authorized—		
$2,000,000 First Mortgage 6% Bonds—		
Issued	1,570,000.00	
Less—Redeemed	675,000.00	
		895,000.00
Loans:		
Secured by Inventories, by Hypothecation of $3,000,000 6% Second Mortgage Bonds due December, 1930, and other collateral		1,350,000.00
Accounts Payable and Accrued Charges		242,264.25
Accounts Payable (Deferred) with Interest accrued thereon to 31st December, 1924	4,123,132.56	
Less—Payments on Account	450,000.00	
		3,673,132.56
Reserves:		
Bad Debts	40,000.00	
Depreciation and Contingencies	1,833,895.70	
		1,873,895.70
		$14,034,292.51

Note—$146,500 (Par Value) First Mortgage 6% Bonds purchased by the Company still outstanding are included in Investments.

Contingent Liability for Bills under discount.. $151,810.00

Approved on behalf of the Board,

D. Lorne McGibbon,
Lewis J. Seidensticker,
} Director.

AUDITORS' REPORT

To the Shareholders of the Atlantic Sugar Refineries Limited.

We have examined the accounts of the Atlantic Sugar Refineries, Limited, for the year ended 31st December, 1924, and have obtained all the information and explanations required by us. The Inventories of Stock on Hand as certified to by responsible Officials of the Company have been valued on a conservative basis, and the reserve for bad debts is, in our opinion, sufficient to cover probable losses. We hereby certify that the above Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs, according to the best of our information, and the explanations given to us and as shown by the Books of the Company.

(Signed) MACINTOSH, COLE & ROBERTSON,
Chartered Accountants.

Montreal, 12th March, 1925.

Profit and Loss Account for the Year Ending 31st December, 1924

Deficit as at 31st December, 1923			$4,487,846.99
Less—Net Amount applicable to previous years			1,463.04
			$4,486,383.95
Profit for the year after providing for Income Tax 1924, but before providing for the undernoted charges		$964,103.86	
Bond Interest	$47,910.00		
Bank Interest, Exchange and other Interest	384,781.39		
Depreciation on Plant and Franchises	304,224.45		
		736,915.84	
			227,188.02
Deficit as per Balance Sheet			$4,259,195.93

RAILWAY COSTS NOW LIVE ISSUE IN THE COMMONS

Shall Those of C.P.R. or C.N.R. Be Basis for Rates?

From Our Own Correspondent.

OTTAWA.—A great change has come over the House this session with respect to the railway situation. Since the government came into power, until recently, there has been a disposition to refrain from offering criticism of the way that the railways are being handled, on the ground that it would be a mistake to do anything that might be considered as handicapping the management. This has been especially true of the Progressives.

This session, however, it has been different. The Progressives and such independent Liberals as McMaster and Hudson, have come out strongly for a reduction in expenditure, for a cutting out of useless duplication of services, for the cutting down of competitive advertising and a cutting down also of certain train services, Forke, Lewis, McLean and Chaplin, together with Marler, who really began this, have kept on this strain and have made a marked impression on the House.

These men have taken the position that something must be done to reduce the cost of the railway service to the country. They are afraid of the heavy capital expenditure, with its growing burden of fixed charges. The Progressives are afraid of the effect of all this on freight rates, which they know depend on operating charges. They are afraid lest, instead of rates being based on the low operating costs of the C. P. R., they may be based on the higher operating cost of the C. N. R.

Burden of Fixed Charges

There was a time when parliament paid quite a little attention to operating statements issued from time to time; but not nearly so much attention is now paid to these. The reason is that they do not tell the whole story of how a railway is doing, in that they do not deal with fixed charges. But fixed charges are the most formidable thing that a railway has to deal with, for they remain unchanged during the life of the bonds. What the average member now realizes is that the increase in fixed charges is eating up very largely any improvement on the operating end.

Though much has been said on this subject during the budget debate, it is expected that even more will be heard during the discussion on the railway estimates following Hon. G. P. Graham's annual statement.

FEW LARGE FIRES CAUSE OVER HALF OF ANNUAL LOSS

(Continued from page 1)

ductions in 1924 from the figures of 1923 occurred in four provinces while small increases occurred in the remaining five, leaving a net decrease of slightly over two and a quarter millions.

Big Fires Most Serious

Some interesting facts regarding the character of the fires was presented by Mr. Smith. His distribution of the loss according to type of municipality is as follows:

	Total Loss $	Per Capita $
Cities over 10,000 population ..	14,959,223	4.48
Towns 5,000 to 10,000 population	3,139,179	6.41
Towns 1,000 to 5,000 population	4,006,590	8.03
Villages under 1,000 population	6,352,804	5.13
Rural Districts	17,448,735	4.20
Total	$45,906,500	$5.10

A significant fact it that, while the total loss was distributed over a large number of fires the really big property losses occurred in a few large fires. Thus 50.8 per cent of the loss was caused by .42 per cent. of the fires. The table presented was as follows:

Class	Loss $	Per Cent of Total $
Manu. Properties	18,048,457	39.9
Mer. Properties ..	11,917,692	26.0
In. Properties ...	3,175,916	6.8
Res. Properties ..	9,004,201	19.6
Mis. Properties ..	4,760,266	7.7

This proves conclusively that the manufacturing and mercantile establishments are in need of radical improvements in protection. A further analysis of the fires exceeding $100,000 loss bear out this conclusion. It reads:

Class of Property	No. of Fires	Property Loss $
Factories and Industrial Plants .	38	7,140,290
Mercantile Warehouses, Stores, etc	22	3,756,450
Business and Omnibus Blocks ..	31	4,582,370
Miscellaneous Exposure Fires ..	11	2,994,416
Public Buildings., Churches, Schools	15	2,963,840
Miscellaneous Property	10	1,873,415
Total	127	$23,310,781
Per cent. of Canada Total	0.42	50.8

In addition Mr. Smith points out that the number of lives lost in fires during 1924 was 372 as compared with 180 in 1914, an increase almost as great as in the case of the property loss.

Are Farms Over-insured?

In considering the big increase in the losses on farm buildings, G. D. Finlayson, Dominion superintendent of insurance, pointed out that the ratio of losses to premiums received by the Dominion licensed companies in 1921, 1922 and 1923 was 117.68 per cent and were approximately the same in 1924. He referred to the change in the character of the farm plant practically to the status of a small industrial plant. In suggesting another possible reason for this experience he said:

"Some light is thrown on the question by the experience of certain Farmers' Mutual Companies, as compared with the experience on farm risks in stock companies. In one province for which the experience is available the farm business is insured fairly equally in the two classes of companies and the experience for the years 1922 and 1923 is reflected by the following figures:—

	Prems.	Losses	Ratio
1922			
Mutual Co.'s	$31,565	$24,887	78.84
Stock Co.'s..	$46,255	$57,837	125.04
1923			
Mutual Co.'s	$37,469	$27,598	73.65
Stock Co's—	$45,730	$54,056	118.21

"In the mutual companies the amount of insurance is strictly limited to two-thirds of the value and the values taken into account are also carefully scrutinized. In the stock companies it is believed that over-insurance is more or less prevalent and this may in part account for the increase in fire losses. The rate of cash premium of the mutual companies is approximately one-half that of the stock companies.

The meeting of the association this year was marked by an increase in the number of organizations represented. Originally formed as a deliberative body of persons interested it is now enlarging its scope so that still further work may be done in cutting the losses.

SHREWD ANALYSIS OF VALUES NEEDED ON REALTY BONDS

Checking Worth of Property by Various Methods Is Prime Essential

Owing to the nature of the real estate bond method of raising funds, certain definite safeguards are adopted by the house making the issue. While different features are stressed in different cases according to local conditions, more or less uniform methods are followed. G. L. Miller and Company, one of the older American firms carrying on business with this type of security, summarize the precautions to be taken as follows:

(1) The value of the property must be fixed by our own expert appraisers and be confirmed and checked by independent appraisals from real estate firms, rental agents, architects, contractors, banks or other authorities.

(2) The total amount of bonds issued must not (except in rare cases, when an unusually high net annual income from the structure is definitely certain), exceed 66 2/3 per cent. of the proven value of the mortgaged property; the exact proportion being determined by the earning power of the property.

(3) The earning power of the property must either be known from past operations (if the structure is already built) or be determined by our appraisers and confirmed by independent appraisals from real estate dealers, rental agents or other authorities, who have a full knowledge of local conditions and the earnings of similar structures.

(4) The mortgage must be drawn by our own legal department and attorneys. The title must be clear. No creditor's claim, save only taxes, and not excepting mechanics' liens, can precede the claim of our bondholders. No more money can be borrowed by the owner against the mortgage, and no more first mortgage bonds may be issued, either legally, because the mortgage is closed, or fraudulently, because of our feature of bank certification. Any additional borrowing by the owner must be secured by a second mortgage ranking below the first. We do not offer investors second mortgages.

(5) The owner of the property makes, out of the earnings of the structure, monthly payments to a trustee. These payments take care of the interest on the bonds and provide the necessary funds to pay off the bonds as they become due. This is one of the most important provisions, since it assures the investor that the money will be on hand to promptly pay interest and principal.

(6) When we buy a bond issue on a building in the course of construction, payments due the owner are made as the work progresses. Satisfactory proofs of progress in construction are furnished in the form of photographs, and certified statements from the architect are required before each payment is made. We pay only a specified proportion of the cost of the work done, the owner paying the balance.

(7) The structure must be acceptable in design to our own engineering department; it must conform to the building code of the city. It must be well located in a growing city which affords a good present demand for the structure and also the factors of continued future demand.

(8) East separate bond bears a bank's certification signed by a bank or trust company usually in the city where the structure is located. The bank certifies the bond to be genuine and secured by the mortgage. This is a check against error or forgery and is in addition of great moral assurance to the investor.

The Fallacy of Capital Levy

France is being agitated by those who favor a capital levy as a solution of the financial crisis which the country faces. In England, the Colwyn committee on the national debt recently took some interesting evidence on capital levy from Socialist leaders. All of which goes to prove that this subject is not to be considered an obsolete weapon of the Socialists. Its fallacy, however, was well pointed out by Hon. R. McKenna, who followed the Socialists as a witness. He tore holes in the Socialist contention that the repayment of the country's debt, either by a large increase of existing taxes or by a capital levy, would be an economic benefit to the state. As high taxation reduces the incentive to save, it must tend to diminish the supply of new capital; in the case of the industrialist whose existing capital was actually depleted by a levy the reduction in capital resources would, in most cases, not be offset by any theoretic return of the funds to industry, since the want of sufficient assets in the mass of business precluded all possibility of securing by further borrowing what had been lost by the levy. Dealing with the argument that a capital levy was desirable in that it would cause deflation and a corresponding appreciation in the value of sterling abroad, he said that deflation depended upon the Bank of England either calling in loans or selling its securities in the market, and it did not appear to him that, as a consequence of the levy, the bank would embark on either of these courses. It seemed more probable that, as a result of the levy, the bank would be called upon to make additional loans, and this would have an inflationary tendency. The introduction of a system of valuation which would be reasonably fair as between different classes of taxpayers would, in Mr. McKenna's opinion, present insuperable difficulties. He added that it was his considered opinion, based upon observation of the course of trade since the war, that, so far from the present moment being opportune for any increase of taxation, the existing burdens were already so heavy as to be seriously harmful to our trade.

Wages and Welfare

The American Exchange National Bank.

Everybody knows that the average worker gains nothing through general advances in wages which do not result in increased production, that the incidental increase in production costs forces prices higher and cancels the wage increase; but beyond admitting the fact, nobody ever does anything about it. The labor unions admit that horizontal wage increases do the rank and file of labor no good, but at the same time they never neglect an opportunity to force an advance in the wages of whatever particular group of workers any of them happens to represent.

The reason for this is that while general wage advances are of no concrete value to labor as a whole, special wage advances are, temporarily, of considerable value to particular groups of workers. Because this is so, the real struggle for advantage is not between labor and capital, but between groups of workers. The labor group which wins an increase in wages before any considerable number of groups win increases, temporarily enjoys increased purchasing power and can command a greater share of the goods that are being produced, as long as the general wage line lags behind. Some labor groups are able to maintain a permanent advantage over other groups, but as a rule the first advance in wages is quickly followed by another until each group arrives at the line established by the first group. In order to maintain its advantage, the first group is then under the necessity of demanding a further advance, and so the movement goes merrily on until inflated values are finally checked by the limits of credit expansion, and then everybody, or nearly everybody, loses his job. Labor admits that rising prices cancel higher wages about as fast as they are elevated, but with the exception of a few labor leaders who know better, labor is inclined to believe that the employers deliberately bring this cancellation about.

The labor leaders who are enemies of the present economic system make a strong point of the argument that the wiping out of wage advances by advancing prices is the work of the leaders of the "system," who are forever and eternally seeking ways to rob the average man of his just share of the goods produced through common effort. Some of those who make this argument sincerely believe that it is true. They can find no other explanation for the fact that the worker cannot add to his share of goods no matter how high his wages go. The key to the riddle is the same key that unlocks so many doors of mystery in the economic structure. But although this key is easy to describe, and is described minutely in every text-book dealing with economy, it is rarely used for opening the doors of economic mystery. Every text-book of economics tells us that money is a medium of exchange, and that is the key to the mystery.

You cannot add to the things that are to be exchanged by adding to the money that is to be used in effecting the exchange. The dollar paid to the worker is simply a token which he carries to the places where goods are sold, as proof of his right to a dollar's share in the things the market offers. If every worker goes to the market with two dollars to get his share of the same quantity of goods that was on hand when each worker had only one dollar to exchange, it is obvious that he will get no more for two dollars than he would have gotten if he had gone with only one dollar. There is no trickery about that. Where the things to be divided remain the same and the number that are to share in the division also remain the same, you simply cannot increase the shares by adding to the identification tags that are presented by those who claim the right to a part in the distribution. The way to avoid the final loss of jobs is to avoid the first advance in wages; if we all work and produce more, the increase will be divided just the same.

SPELL IT "SAINT" JOHN

SAINT JOHN. N.B.—In an effort to individualize the name of this city, the city corporation, board of trade and other organizations are in future to spell the name in full. This port has grown rapidly in importance in recent years and, in addition to being the winter headquarters of the fleet of the Canadian Pacific Railway is also a port of call for numerous lines operating between Canada and Europe, as well as the centre of a large fishing industry.

NEW ISSUE

$1,000,000

Christie, Brown and Company Limited

7% Cumulative Redeemable Preference Shares

Preferred as to Assets and Dividends **Par Value of Shares, $100**

Dividends payable quarterly, February 1, May 1, August 1 and November 1, beginning August 1, 1925, by warrant or check made payable either in the City of New York in United States funds or in the City of Toronto in Canadian funds, at the option of the holder. Preferred as to assets up to $115 per share and accrued unpaid dividends in event of voluntary liquidation, and $100 and accrued unpaid dividends in event of involuntary liquidation. Redeemable in whole or in part at the option of the Company, upon 60 days' notice, at $115 per share and accrued unpaid dividends.

Convertible at any time up to ten days before any date specified for redemption into Common Shares at the rate of three Common Shares for each Preference Share.

TRANSFER AGENTS AND REGISTRARS
Agents, BANK OF MONTREAL, New York, N.Y.
NATIONAL TRUST COMPANY, Ltd., Toronto, Ont.

CAPITALIZATION
(Upon completion of present financing)

	Authorized	Outstanding
First Mortgage Ten-Year 6% Bonds, due 1935	$1,000,000	$1,000,000
7% Cumulative Redeemable Preference Shares (par value, $100)	$1,000,000	$1,000,000
Common Shares (without nominal or par value)	105,000 Shs.	* 75,000 Shs.

* The remaining 30,000 Common Shares are reserved for conversion of the Preference Shares, at the option of the holders, on the basis of three Common Shares for one Preference Share.

Salient features as summarized by Mr. R. J. Christie, President of the Company:

Business: Christie, Brown and Company Limited has been incorporated under the laws of the Dominion of Canada to acquire the baking business founded 75 years ago by Mr. William Christie. "Christie's Biscuits" is probably the best known trade-mark for household products in Canada today. The Company's products, numbering over 400 varieties, are sold in packages and in bulk throughout the Dominion in far larger volume than any other domestic or imported brands, because of their long established reputation for highest quality.

Plant: The Company owns about one and a half city blocks within a few blocks of the business and financial centers of Toronto, on which its manufacturing plant is situated. The buildings have over 300,000 square feet of floor space and are of modern fire proof construction, equipped with the most modern and efficient baking machinery.

Assets: The balance sheet, based upon an examination of the accounts as at the commencement of business January 1, 1925, by Messrs. Clarkson, Gordon & Dilworth, Chartered Accountants, of Toronto and Montreal, and giving effect to the transfer of assets from the old company and to the present financing, shows net quick assets of $607,041.63, and total net tangible assets, after deducting the $1,000,000 bonds, of $1,830,251.09, or $183 for each Preference Share. The exceedingly valuable trade-marks, formulae and good will, representing the accumulations of 75 years of leadership in the baking industry of Canada, are carried in the balance sheet at the nominal value of $1.

Earnings: The business has been operated at a profit every year for more than 50 years and since 1902 there has been only one year in which net profits have been less than the combined annual requirements for both interest and dividends on the amounts of bonds and preference shares presently to be outstanding.

In the 5 years ended December 31, 1924, the net profits of the business, after all taxes and after depreciation on the book values of the properties before giving effect to the present appraisal, averaged $198,139.56. After allowing for the annual interest requirements on the first mortgage bonds presently to be outstanding, these average net profits were approximately twice the annual dividend requirements of this issue of Preference Shares.

Based on the introduction of certain economies in factory overhead and expense, it is conservatively estimated that the net profits of the business, after all taxes and after depreciation on the present appraisal of the properties, *can be increased to the annual rate of at least $300,000, or more than three and two-fifths times the dividend requirements of the Preference Shares*, after bond interest, and equivalent, after all prior charges, to $2.26 per share on the 75,000 Common Shares presently to be outstanding. With this earning power established it is the expectation of the management that dividends on the Common Shares will be inaugurated on a conservative basis not later than January 1, 1926.

Management: The directorate of Christie, Brown and Company Limited will be constituted as follows:
R. J. Christie, President of Company, Toronto;
Charles E. Edmonds, Secretary and Treasurer of Company, Toronto;
Reuben Harvey, Director of Company, Toronto;
Frederick K. Morrow, Vice President, Standard Milling Company of Canada, Ltd., Toronto;
George K. Morrow, President, Gold Dust Corporation, New York;
Robert Mallory, Jr., Spencer Trask & Co., New York;
Rodney Hitt, Hitt, Farwell & Co., New York.

It is expected that application will be made in due course to list on the Toronto Stock Exchange.

All legal details in connection with this issue of Preference Shares will be passed upon by Messrs. Masten & Nichols, New York, for the Bankers, and by Messrs. Blake, Lash, Anglin & Cassels, Toronto, for the Company.

The properties have been appraised by the Sterling Appraisal Company Limited, of Toronto, and the books and accounts for the five years ended December 31, 1924, have been examined by Messrs. Clarkson, Gordon & Dilworth, Chartered Accountants, of Toronto and Montreal.

We offer these 7% Cumulative Redeemable Preference Shares if, as and when issued and received by us and subject to approval of counsel.

Price $98 per share and accrued dividend, yielding 7.14%

Subscriptions will also be received for a limited amount of Common Shares at $22 per share.

Descriptive Circular furnished on application

Spencer Trask & Co.
New York

Hitt, Farwell & Co.
New York

Duncanson, White & Co.
Toronto

All information given herein is from official sources, or from sources which we regard as reliable; but in no event are the statements herein contained to be regarded as our representations.

MAKE MOTOR FUEL FROM MOLASSES IS PLAN OF COMPANY

New Industrial Alcohol Venture is Being Undertaken in Quebec

From Our Own Correspondent.

MONTREAL.—An offering is being made locally of 200,000 shares of stock of a new company incorporated under the name of Quebec Industrial Alcohol Co. The shares of $10 par value are being sold to the public at $9. The company proposes to operate a distillery near Montreal. A factory building has been arranged for and the first installation it is hoped will be designed to produce 5,000 gallons of alcohol per day, to be made from molasses. It is pointed out that it is intended to increase the output to 10,000 gallons per day.

No estimate of profits is made by the underwriters of the issue, but the forecast is made that "the shareholders may look forward to substantial profits." The circular offering the shares states that in addition to alcohol the company will manufacture carbonic acid gas, potash, fertilizer and motor fuel. At the present time it is learned no industrial alcohol plant or brewery in Canada is selling this by-product of alcohol distillation, although Molson Brewery, Montreal, retains part of its output of this gas, but only for its own use.

As regards potash and fertilizer, officials of two of the leading plants producing these items told THE FINANCIAL POST that they were unable to sell either potash or fertilizer at a profit, and that many plants across the border which produce these commodities are closed.

Can They Make Motor Fuel?

As to the production of motor fuel, the investor might well consider the fact that other industrial alcohol companies have been for sometime looking for a substitute for gasoline, but as yet they have not been able to put a motor fuel on the market. Indeed, no company has found a fuel which can compete with gasoline in Canada. Latest reports from the United States, however, indicate that General Motors, working in conjunction with Standard Oil, have introduced a new motor fuel with ether in combination with gasoline, but this new departure is a mixture which has been introduced, not with a view of lowering the cost of fuel, but with a view of preventing trouble and knocks in the engine.

The first installation of 5,000 gallons per day means an annual production—if kept in operation—of some 1,500,000 gallons per year. On back of the same circular, figures of the denatured alcohol production in Canada for the year 1923-24 are given at 1,219,984 proof gallons and the total spirits manufactured during the same period as 4,411,895 proof gallons. In the latter figures a large portion will include whisky, which must be made from grain and not from molasses which is the raw product which the Quebec Industrial Alcohol will use. From these figures, therefore, it will be seen that the new company must obtain a very high percentage of the market for alcohol to keep its plant in continuous operation.

The company will produce one gallon of alcohol from 2.15 gal. of molasses. It is claimed by S. A. Richardson that the location of its plant at deep water will save 5½c. a gallon on molasses, 12c. on gal. of alcohol over other firms not so advantageously situated.

BRANCH BANKING SPREADS IN N.Y.

Recent Amalgamations Indicate the Rapid Spread of the Movement

NEW YORK.—The announcement during the past week that the Manufacturers Trust Company had decided to absorb the Gotham National Bank and the Fifth National Bank, served to draw public attention to the rapid extension of branch banking in greater New York in recent months. Two weeks ago the Manufacturers Trust Company absorbed the Yorkville Bank, one of the oldest banks in the upper part of the city. It has thus within a month absorbed three important offices to its present chain of branches in greater New York.

Two weeks ago the Chatham and Phenix Bank, now known as the Chatham and Phenix Bank and Trust Co. absorbed the Metropolitan Trust Co. adding the offices of this institution to the chain of branches it already possessed.

These two recent developments are indicative of a marked tendency for the larger banks to absorb the smaller which has been in evidence on all parts of the city for at least two years past. They are also indicative of the rapid expansion which is taking place in the banking machinery of the city by means of branch banks.

The extension of the branch banking system of the city has been by no means confined to the Manufacturers Trust Co. or the Chatham and Phenix; it has been participated in by most of the larger banks of the city, both state and national. Within the past month at least six important branch offices have been opened and more are to come. Bidding for good corners for bank offices in uptown New York is, according to real estate agents in touch with the situation, very active.

Expansion of the banking facilities of the city by means of branches is taking place faster than it ever has before in the history of the city, bankers tell your correspondent. The larger banks of the city anticipate a rapid increase of the population of New York City in the next few years and are said to be preparing to meet the probable increase in the demand for banking facilities that will follow this growth. Branch banks are being opened in all parts of the city but chiefly in the uptown portions of Manhattan. The centre of the activity at the moment appears to lie in the districts centering about Times Square and the Grand Central Terminal.

Expansion in this portion of the city appears to have been brought about largely by the pronounced movement of the city's business northward. A larger and larger portion of the business activities of Manhattan are being conducted in the neighborhood of Forty Second Street and the larger banks have been forced to follow the trend. Twenty years ago only two Wall Street banks for instance had branches uptown. Today there are very few downtown banks that have not arranged to have direct representation in the newer business districts of the city.

In many ways the banks are encountering problems that are similar to those of the Canadian banks when they break into new territory. At first many of these branch banks fail to pay and have to be subsidized by the head office. Some of the branches located in better sections from a banker's point of view have paid almost from the beginning.

Faced by the deficits of the branches that do not pay, most of the banks will tell you that they are willing to face losses now in the hope of reaping larger profits in the future.

REFORESTATION NECESSARY FOR PAPER SUPPLY

Methods for Conservation Should be Applied in Canada

QUEBEC.—"The world never had enough paper until methods were devised for making it from wood, and it will not have enough paper in the future unless we make our forest lands permanently productive," said R. S. Kellogg, secretary of the News Print Service Bureau, speaking at the meeting of the Women's Canadian Club at the Chateau Frontenac.

"Timber growing," said Mr. Kellogg, "is at best a long-time undertaking attended by many hazards; fire destroys, insects attack, disease weakens and storms lay low the forests. Only through the co-operation of public agencies and private interests to secure a maximum of forest protection, together with scientific management and utilization, will we be assured in the future of the wood supplies which through long use have come to be indispensable to our well-being.

"Forestry is not a law compelling the planting of a new tree for every one cut, nor is there such a law in any country, popular notions to this effect notwithstanding. Neither is forestry a law limiting the cut to certain sizes and kinds of trees; nor is forestry to be accomplished by the arbitrary control of any public body over private operations. Forestry is the application of definite scientific principles to the growing and using of timber crops. Forestry is and will be practised by the private owners when he can see that it pays him to do so. Forestry is and must be practised by government upon public property in order to insure some supply of forest products for the people. Because of the long time investment and comparatively small return thereon, together with hazard of fire, insect, fungus and storm, a considerable area of publicly owned forests will always be needed, although public ownership of the entire forest area of any country is neither necessary nor desirable. The proportion of total forest area in public ownership in the leading European countries in the practice of forestry is 35 per cent. in France, 53 per cent. in Germany and 24 per cent. in Sweden. Private capital engages in the growing of timber and co-operates with the public authorities in so doing in those countries, because capital gets a fair return therefor. Private capital will do so elsewhere with a market for forest products and the same assurance of safety of return.

"First and most essential of all," concluded Mr. Kellogg, "is the protection of our forests from fire. We must have scientific measures of timber cutting, more complete and economical utilization of forest products, and much tree planting, but none of these things can be undertaken so long as there is the yearly menace of fire, which will wipe out the efforts of a hundred years. The fire problem has been solved in other countries where people have learned the importance of being careful with fire, and where there is a recognized public responsibility for forest protection understood by everyone. Nothing could be more necessary or appropriate than the present 'Save the Forest Week' in Canada, to be followed by 'American Forest Week' in the United States. The fundamental problems of forestry and timber supply are the same on both sides of the international boundary, and they will eventually be solved through enlightened public sentiment."

Plan to Meet Deficits on Peace River Railway

Those who are campaigning for a railway into the Peace River country are realizing the growing unpopularity of government projects which promise to increase taxation and are suggesting that to meet the interest charges during construction and inevitable operating deficits before the lands to be opened up are fully settled, 2,000,000 acres along the railway or contiguous to it be set apart to be sold to settlers at $5 per acre on easy payments. The proceeds it is proposed to have set aside and earmarked for the construction of the Brule Lake cut-off and its operation by the National Railways.

INDUSTRY BUILDS NEW TOWN

ST. JOHN'S, Nfld. — Corner Brook, headquarters of the huge new pulp and paper business of Western Newfoundland, is growing fast and by next fall the "model town" will be complete. The 500 foot pier from which the paper will be shipped and a 600 foot steel warehouse connected with it, are nearing completion, and work will begin soon on 400 houses for the permanent employees of the paper mills.

STOCK SWINDLERS USING THE PHONE

New York Takes Action in Courts in Effort to Curb Activities

Stock swindles and high pressure salesmen have developed misuse of the telephone in their operations. Frequently complaints reach THE FINANCIAL POST of methods employed by telephone stock salesmen. In Canada these operations are generally what are termed "switchers." They call a person holding some good marketable stock and try to get possession in exchange for some worthless security. In New York they are launching criminal proceedings against many of these.

The attorney general in asking four indictments recently alleged that the defendants and others, operating from New York under the name of J. F. Townsend & Co., made use of the long distance telephone to interest suburbanites of moderate means in stock transactions. They assured their customers they would net large profits in a short time, it is charged.

The above defendants, with ten others, were named in an earlier action under the Martin Act in which the attorney general alleged fraudulent practices and petitioned the Court to restrain the defendants from selling any security unless they furnished to customers within 24 hours after a transaction complete facts with respect to the security sold, including time and place of last public sale and true price of such sale.

Fire Prevention Association Officers Continue Work

The election at Ottawa this week of officers of the Association of Canadian Fire Marshals for the coming year resulted in the following: Hon. Pres. John A. Rudland, fire marshal of the province of Nova Scotia; Pres., Geo. F. Lewis, deputy fire marshal of Ontario; Vice-pres., E. H. Beer; Sec.-treas., J. Grove Smith, Dominion fire marshal.

The executive of the Dominion Fire Prevention Association, which also met in Ottawa this week was elected for 1925. With the exception of Hon. J. A. Robb replacing Hon. W. S. Fielding as honorary president, the executive remains as in 1924, the president being Sir George Foster; hon. vice-pres., W. H. Shapley; vice-pres., J. N. MacKendrick; hon.-sec., G. D. Finlayson; executive officer, J. Grove Smith. There were added to the executive committee, R. Brieur, representing the Union of Municipalities of the province of Quebec, and Geo. F. Lewis, representing the provincial fire marshals.

ALBERTA'S GRAZING RESERVES

EDMONTON. — During the summer grazing season of 1924, 22,723 head of cattle, 5,867 horses and 2,300 sheep, were run on the grazing areas within forest reserves in Alberta, according to the report of the forestry reserve branch. The branch estimated that the grazing capacity of the reserves is about 50 per cent. more than the total for last season.

There is a move on at the head of the Lakes to get Ontario Government to establish a customs ore mill at Fort William. There is a material increase in interest in mining in that section this year.

"Watered Stock"—What It is

By R. O. SWEEZY in The Listening Post.

Apart from physical assets, raw materials and markets, there is required in originating a successful industrial concern such essential features as brains, experience and good management. But, unless someone supplies capital, the potentialities must remain dormant no matter how brilliant the conception of ideas.

Men with capital usually receive five to six per cent., or even more, on their money with perfect safety of both principal and interest. So if money is to be raised for a perfectly new enterprise something better than five or six per cent. must be offered the man who will risk part of his money in industrial development. In raising capital for an industrial undertaking of the magnitude that is usual to-day it is no longer possible, or at least very unusual, to induce two or three individuals to take the sole risk. So a multitude of comparatively small investors are sought. These investors look for certain safeguards commensurate with the nature of the enterprise, and provision is made to meet such requirements as far as possible.

In the first place, of course, promoters of an enterprise must be men of integrity and ability, though sometimes they lack both and rely upon unscrupulous wits to extract money from unsophisticated people. Against such as these, 'no "blue sky" law has ever been a complete success, any more than criminal laws have been a complete success in stopping thievery.

An industrial company may be organized with two or more classes of security, one being a preferred stock which is sold to raise money on a six to eight per cent. basis. Before any other class of stock can draw dividends the preferred must be properly safeguarded as to assets and apportionment of earnings. This stock usually represents cash invested in the company, but further cash may be raised by a mortgage on the assets created. The mortgage holders, or bondholders, as they are called, usually are secured by assets equal to at least two or three times the money loaned, so their degree of safety is considerably higher than those who have invested their money in preferred stock. It is natural, therefore, that the preferred shareholders should expect some compensation over and above the regular 6 or 7 per cent. annual dividend which their stock is earmarked to receive. For the risk of putting money into an unproven enterprise, they expect some portion of the profits that prospects suggest can be earned beyond the bond interest and preferred stock dividend. If the idea of the development has been well conceived and the management good, these extra profits may become very large. If they become exorbitant, competition is invited and economic laws will automatically adjust matters.

In order to facilitiate the method of participation of preferred shareholders in anticipated future profits the company may issue to them certificates which are usually called common stock in some proportion agreed upon. These certificates are the company's recognition of the holder's right to share in future earnings, and, if the company proves successful, they may become very valuable by reason of their earning power, though it may be that, at the time of issue, these certificates have little or no intrinsic value. Their original value may be based entirely on the hoped-for measure of success. Often the expected success is not attained, so the certificates become worthless. Indeed the preferred stock may also be wiped out by reason of mismanagement or misfortune. These are the risks that justify extra profits if they can be honestly earned.

In addition to the claim that preferred stockholders thus have upon future earnings there are perhaps properties, patent rights or ideas to be purchased, but, as these may depend upon future earnings for a proof of their intrinsic value, they are paid for with common stock certificates. Then, also, the promoters and management are entitled to a share in future profits as compensation for their efforts and good management, so what is more logical than to pay for this obligation with common stock certificates? By this method they reap in direct proportion to their abilities.

To place a definite value upon any common stock certificate of a new company before that company has proven its earning power is almost impossible. But after a certain period, which may be months or years, the company may become very prosperous—or perhaps an utter failure. If the former, the common stock, though it had no intrinsic value when the company started, may have attained a price value upwards of $100 or $200 per one-share certificate. It is this class of common stock certificate that is called "watered stock"—because it had no value when it began. And it is adversely criticized only by the cynic, or perhaps the socialist who considers that the world owes him a living a rien faire.

"With Long Distance We Can be Specific"

"We have a record of every security that any of our clients are interested in," says an investment banker.

"As trading brings different securities into our office we know from our records just where we can place them.

"To get the offerings before our out-of-town clients we use long distance. Such specific offerings, made so promptly, enable us to sell more efficiently and to give better service to our clients."

The Telephone costs a family less than 2% of its annual outlay.

FRANK KENNEDY
Manager

"It Wasn't Courage; It Was Knowledge"

When Eaton's decided on big new store for Montreal

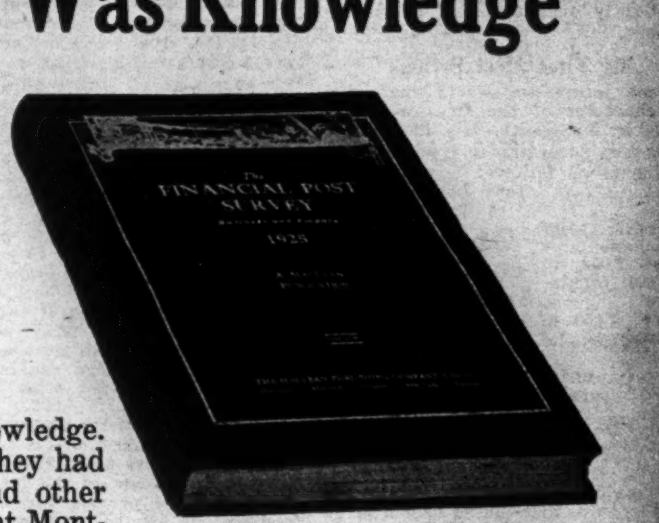
"IT MUST have taken courage for Eaton's to go into Montreal, buy out a big department store and then make plans to quadruple the sales of that store."

Perhaps you have said that yourself in reading of Eaton's plans in Montreal.

There was more than courage to that move. There was knowledge. Eaton's **knew** what they could expect from Montreal. They had studied automobile registrations, income tax figures, and other indices of purchasing power and they knew not only what Montreal could produce but the kind of merchandise they would have to offer to get the business. It is said that they even knew how much snow fell in Montreal each winter and the effect on their delivery plans. They were armed with knowledge and made their plans with confidence.

Modern business is built on a sound basis of facts and statistics. The essential statistical information needed by Canadian business men in making their plans is found in The Financial Post Survey recently published.

There are still copies available of this fine clothbound volume of Canadian business information. It sells at $3 a copy. Hand the coupon to your stenographer.



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The Contents Page Indicates the Wide Field Covered by The Survey.

Contents:

Chapter 1. The Business Outlook.
Chapter 2. Production in Canada.
Chapter 3. Industrial Analysis.
Chapter 4. Agricultural Statistics.
Chapter 5. International Trade.
Chapter 6. Public Finance and Banking.
Chapter 7. Transportation Statistics.
Chapter 8. Movements of Commodity Prices.
Chapter 9. Labor and Employment Statistics.
Chapter 10. The Investment Situation.
Chapter 11. Federal Taxation in Canada.
Chapter 12. Insurance and Trust Company Problems.
Chapter 13. Conditions in Newfoundland.
Chapter 14. Population and Immigration.

A survey of the table of contents above will suggest to anyone how many times such information will be of inestimable value in shaping a business course, in planning selling campaigns, in developing new industries, in floating financial undertakings, or in safeguarding investments; or even in furthering a broader idea of citizenship by fostering a better understanding of Canada's problems and opportunities.

Where Can I Find Figures on—?

The North Atlantic Ship Subsidy Bill? How much have freight rates really risen in relation to general prices?

The Pulpwood Embargo question. What does Canada actually export each year?

What are the Building Permits, and how do they compare with previous years?

Don't spend hours searching for the facts relating to your business. Get them in THE FINANCIAL POST SURVEY. Price $3.00 or $1.50 in conjunction with a year's subscription to THE FINANCIAL POST — $6.50 for both.

The Financial Post, 143 University Ave., Toronto

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Send $3 to The Financial Post, 143 University Avenue, Toronto, for The Financial Post Survey. (With The Post for one year $6.50.)